

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

4-40 UNEMPLOYMENT OF A PARENT OR PARENTS (Continued)

1-440

AFDC

3 Penalties for Refusing Employment or Job Training Without Good Cause

.31 WIN Families

All direct cash payments to the WIN family shall be terminated immediately upon receipt of notice from the Department of Human Resources Development that the refusal was without good cause and AFDC shall be continued as a protective or vendor payment subject to other conditions attached to the WIN sanction (see Sections 30-158 and 44-307).

.32 Non-WIN Families

AFDC to the non-WIN family shall be discontinued effective on the next installment delivery date following expiration of the 15 calendar day notice to the family that the refusal was without good cause. The county shall mail the advance notice immediately upon such determination by the Social Services System.

4 Discontinuance Due to Employment

.41 Aid shall be discontinued, effective at the end of the month in which a parent accepts an offer of employment that is expected to provide him with more hours of work than specified in Section 42-340.1 during the following month. If the county is unable to discontinue aid at the end of such month because the 15-day advance notice period has not yet expired, aid shall be discontinued effective on the next installment delivery date.

.411 The notification of discontinuance on Form ABCD 239 shall clearly indicate:

- a. That the action is based on an expectation the parent will work more than such number of hours in the next month, and
- b. That the discontinuance will be withdrawn if the parent submits information substantiating that less than such number of hours were actually worked, that no offer of employment was refused without good cause, and that other conditions of eligibility for AFDC (including neediness) are met. (See Section 44-331.123.)

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

4-4

1-440

.521 By meeting either of the following requirements in six calendar quarters within any 13 calendar quarter period ending within one year before the date of application for aid:

- a. Earned a gross of at least \$50 during the quarter, or
- b. Participated for at least five days during the quarter in any one or more of the following:

A former Community Work-Training Project; an EOA Title V Project; an ETS Project administered in accordance with Chapter 31-200; an activity administered under the WIN Program; or any other WIN-equivalent activity administered under MDTA or other manpower programs.

OR

.522 By receiving, or being eligible to receive, unemployment insurance benefits within one year before application. The words "being eligible to receive," as used in this section mean that:

- a. The father would have been eligible to receive unemployment compensation upon filing application, or
- b. The father performed work not covered by Unemployment Compensation Law and such work, if it had been covered, would (together with any covered work he performed) have made him eligible to receive unemployment compensation upon filing application.

.53 There is no federal or state participation for any period from the 31st day after the beginning date of AFDC until the father, when appropriate, under Section 30-162, is referred to WIN.

.54 Prior to January 1, 1972 the father shall not have received unemployment insurance benefits during a week for which AFDC was paid. This provision is part of the definition of an unemployed parent effective January 1, 1972 (see Section 42-340.1).

6 Readjustment Period

There is no readjustment period. Aid ceases when deprivation due to unemployment ends, provided no other basis of deprivation exists.

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

41-440 UNEMPLOYMENT OF A PARENT OR PARENTS (Continued)

41-440

AFDC

.7 Acceptable Evidence of Unemployment of a Parent or Parents

.71 The evidence necessary to support a determination that the child is deprived because of unemployment of his parent(s) will be as follows:

.711 Statements from employers as identified in Section 42-303.1 that indicate:

- a. The number of hours worked per month and per week or if the applicant is still employed the number of hours working per month and per week.
- b. The date and reason for leaving if applicant is no longer employed.
- c. Additional hours of work were not offered or available.

DO NOT WRITE IN THIS SPACE

RECEIVED 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

41-440 UNEMPLOYMENT OF A PARENT OR PARENTS (Continued)

41-440

AFDC

.712 A statement from the Department of Human Resources Development which indicates the following:

- a. The date of referral of the applicant to a training program listed in 41-440.222 or the date of registration with the department.
- b. The amount of UIB received by the applicant for one year previous to date of application and the amount, if any, he is receiving on the date of application.

.713 Earnings record during the last quarter as obtained in accordance with Section 42-303.1.

.714 If an applicant cannot establish a connection with the labor force by receiving or being eligible to receive UIB (see Section 41-440.522), the applicant's sworn statement, signed under penalty of perjury, will be sufficient for earnings information or participation in training programs listed in Section 41-440.521.b more than one year previous to application.

- .715 A sworn statement from the applicant on the WR 2 that he:
- a. is actively seeking employment.
 - b. has been unemployed for 30 consecutive days previous to application.
 - c. has not refused employment during the 30 days previous to application.

Effective 10/1/71

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

41-440 UNEMPLOYMENT OF A PARENT OF PARENTS (Continued)

41-440

AFDC |

- .72 When both parents are in the home but only one is unemployed, the evidence necessary would be the same as that listed in .711 through .715 above and
- .721 A written county approved plan for full-time employment for the unemployed parent.
- .722 A written county approved plan which details how the children are to be cared for; and
- .723 When the unemployed parent is the mother, the plan listed in .722 shall indicate how she intends to care for the family.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

44-50 CONTINUED ABSENCE OF A PARENT

41-450

AFDC

.1 Definition of "Continued Absence"

"Continued absence" exists when the natural parent is physically absent from the home and the nature of the absence constitutes dissociation, that is, a substantial severance of marital and family ties that deprives the child of at least one of its natural parents.

A substantial severance of marital and family ties means that the absence is accompanied by a definite interruption of or marked reduction in marital and family responsibilities and relationships compared to previously existing conditions.

"Continued absence" does not exist:

- .11 When one parent is physically absent from the home on a temporary basis. Examples are visits, trips made in connection with current or prospective employment, active duty in the Armed Services.
- .12 When both parents are maintaining a home together but the child lives elsewhere. It is immaterial whether the child lives with a relative or in foster care as a result of placement by the parents, by an agency acting on behalf of the parents, or by an authoritative agency.

.2 Circumstances That Meet the Definition of "Continued Absence"

The physical absence of a parent from the home in conjunction with any one of the following circumstances shall be considered to meet the definition of "continued absence":

- .21 The parents are not married to each other and have not maintained a home together.
- .22 The parent
 - .221 Is not legally able to return to the home because of confinement in a penal or correctional institution, or
 - .222 Has been deported, or
 - .223 Has voluntarily left the country because of the threat of, or the knowledge that he or she is subject to deportation.
- .23 A parent has filed, or retained legal counsel for the purpose of filing an action for dissolution of marriage, for a judgment of nullity, or for legal separation.
- .24 The court has issued an injunction forbidding the parent to visit the spouse or child.
- .25 The remaining parent has presented a signed, written statement that the other parent has left the family and that dissociation within the definition of "continued absence" exists.
- .26 Both parents are physically out of the home and their whereabouts are not known.

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

41-4 50 CONTINUED ABSENCE OF A PARENT (Continued)

41-450

AFDC

.3 Beginning Date of "Continued Absence"

Deprivation due to "continued absence" exists as of the date that one of the foregoing circumstances occurs, as shown by evidence presented in accordance with Section 42-350.4.

.4 Evidence of "Continued Absence"

.41 If one parent is absent as defined in Section 42-350.2 above, the written statement of the applicant or recipient parent is sufficient evidence of "continued absence" unless conflicting information is known to the county.

.42 If conflicting information is known to the county, the written statement of the applicant or recipient parent must be corroborated by a least one of the following:

- a. Other evidence indicating "continued absence," which may include written statements of the absent parent or other persons with prior knowledge of the family relationship; or
- b. Evidence of the actions of the applicant or the recipient or the absent parent that clearly indicate not only the physical absence of the other parent but also dissociation as defined above.

.5 Circumstances That Do Not Affect Deprivation Due to "Continued Absence"

Deprivation due to "continued absence" is not affected by the following circumstances, provided the absent parent continues to live apart from the child and dissociation continues:

- .51 Visits to the home to see the child, as the parent has the right and should be encouraged to visit his or her child unless visitation is legally prohibited.
- .52 Visits of short duration to see the deported parent.
- .53 Financial contributions of an absent parent to the support of the child.

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

DIVISION 42 NONLINKING FACTORS OF PUBLIC ASSISTANCE ELIGIBILITY

CHAPTER 42-100 AGE

42-101 AGE REQUIREMENT

42-101

- | | | |
|------------|----|--|
| <u>AB</u> | .1 | An applicant must have reached his 16th birthday by the date aid begins. |
| <u>ATD</u> | .2 | An applicant must have reached his 18th birthday by the date aid begins. |

AFDC

.3 A child is eligible on the basis of age until his 17th birthday only if he is unmarried.

.31 Aid may be granted in behalf of a child to an unmarried person beyond his 17th birthday if he is less than 21 years of age and;

.311 He is regularly attending school or a training program or if enrolled in an institution of higher education he must be;

a. Attending regularly on a full-time basis. (the equivalent of at least 12 units).

b. Achieving an average grade that is passing.

c. Making progress toward a self support objective, or

.312 He is physically or mentally disabled, or

.313 He is employed and contributing to the family, or applying his earnings to a plan approved by the county department for his further education or preparation for future employment, provided that his earnings set aside for education or training are placed in an irrevocable trust for such purposes, with the county and the parents designated as joint trustees.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-105**DEFINITION OF DISABILITY**42-105

- AFDC | .1 Disability of a child is any physical or mental incapacity, temporary or permanent, which makes him unable to attend school and limits his job opportunities so that he is unable to undertake employment available in the community.

42-107**DEFINITION OF EMPLOYED AND CONTRIBUTING TO THE FAMILY**42-107

- AFDC | .1 A child is considered to be employed and contributing to the family if he has net income from earnings which is considered in determining the amount of the grant, or is being set aside for his further education or preparation for future employment under a plan agreed upon with the county welfare department. (See income regulations.)

42-109**DETERMINATION OF AGE ELIGIBILITY**42-109

AB
ATD
AFDC

- .1 The applicant's statement of his birth date as it appears on his Affirmation of Eligibility determines his age. If the applicant is unable to give information as to his age, or the age as stated appears questionable, other evidence of age shall be secured. (See Section 41-111.)

OAS

- .2 The month and day of birth need not be determined if the applicant's statement on his Affirmation of Eligibility and evidence of year of birth establishes him to be 66 or over. In other situations age is determined as follows:

- .21 Month and day of birth not available — If evidence is not available and year of birth is established or evidence supports applicant's statement, the applicant's statement on his Affirmation of Eligibility establishes the month and day of birth.
- .22 Birth date earlier than statement on Affirmation — If evidence shows the birth year to be earlier than shown by the applicant's statement on the Affirmation, the birth date is usually established by the statement on the Affirmation. However, the date fixed by a delayed birth certificate secured through court action, or a birth or baptismal record recorded when applicant was a child shall be accepted in lieu of the applicant's statement on the Affirmation.

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

42-109 DETERMINATION OF AGE ELIGIBILITY (Continued)

42-109

- OAS | .23 Birth year later than statement on Affirmation of Eligibility - If evidence shows the birth year to be later than shown by the applicant's statement on the Affirmation, the birth year is established by the evidence. The applicant's statement of the month and day of birth as given on the Affirmation is acceptable unless there is strong evidence which refutes it.
- .24 Birth date not known - If the applicant does not know his birth date but there is evidence establishing the year of birth, July 1st is assumed to be the month and day of birth.

42-111 EVIDENCE OF AGE

42-111

- AB
ATD
AFDC
MN | .1 Acceptable evidence necessary to support a determination of age shall be the same as that listed in Section 41-202.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

DIVISION 42 NONLINKING FACTORS OF PUBLIC ASSISTANCE ELIGIBILITY

42-200 PROPERTY - GENERAL

42-200

AB
APSB

.1 AB, APSB Program Designations

There are differences in property limits and requirements between the AB and APSB programs. Accordingly, AB as used in this chapter does not include APSB. All sections applicable to APSB are designated.

AB
APSB
ATD
OAS
AFDC

.2 Limits on Property Holdings

Real and personal property which an applicant owns or in which he has an interest are resources which must be considered before aid is granted. Limits on property holdings have been set high enough that a person need not be completely destitute to qualify for aid. On the other hand these limits insure that persons who own property sufficient to provide themselves with the necessities of life do not receive aid intended for those in greater need. Limits on property which he can retain and remain eligible for aid are set forth in this chapter.

42-201 OBJECTIVES - PROPERTY

42-201

AB
APSB
ATD
OAS
AFDC

In determining eligibility with respect to property, it is necessary to ascertain the purposes for which property is held. A person is eligible if the property he owns is held for any one of the following purposes (within certain limits):

(1) To provide him with a home; (2) to provide him with income to help meet his needs; (3) to provide him with a reserve to meet a future need.

Emphasis is placed on the purpose for which property is allowed to be held. The specific limits with respect to use or total value on some types of property constitute a part of the definition of a needy person; but the more important consideration is that property may be held within those limits, because it meets a present or future need of the recipient.

Regulations in this chapter are designed to express a general test: does the property meet a current need or is it held for some future need? This test should be the basis of decision in situations not specifically or exactly covered by the regulations.

Policies governing eligibility with respect to property shall be administered with consideration to the ability and circumstances of the person in order that undue hardship not be imposed upon him in making his plans to comply with property provisions.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-203

BASIC DEFINITIONS

42-203

AB
APSB
ATD
OAS
AFDC

.1 Real Property

Real property generally is land and improvements, as differentiated from cash, bonds, mortgages, or similar assets which are personal property. Real property includes as a general rule, immovable property attached to the land such as trees, fences, buildings, etc. It also includes mines, patented or unpatented, oil, mineral or timber rights.

.2 Personal Property

Personal property generally is possessions or interests which are not real property but which may be easily transported or stored. Personal property also may be in the nature of a valuable property right, such as an uncollected judgment, an interest in a firm in receivership, etc.

.3 Owner of Property

The owner of property is the person who holds legal title to the property unless (a) he holds title only for convenience; i.e., for purposes of inheritance or to avoid probate, etc., and (b) he has no beneficial interest in the property, i.e., no right to possess and use the property or to receive the proceeds. Conversely, a person for whom legal title of property is held by another under these circumstances, is the owner.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-203 BASIC DEFINITIONS (Continued)

42-203

AB
APSB
ATD
OAS
AFDC

.4 Separate Property - General

Property acquired by the husband or wife prior to marriage is separate property. Property acquired during marriage is separate property if purchased with funds which are the separate property of the owner, such as funds received from the sale of separate property or property received by gift or inheritance.

Funds awarded a married person in a civil action for personal injuries are the separate property of that person.

If a wife is living separate from her husband and the husband and wife do not plan to live together again, the income of the wife and of her minor children living with her or in her custody, is her separate property.

After the rendition of an interlocutory decree of divorce and while the parties are living separate and apart, the income of the husband is his separate property.

After the rendition of a decree for separate maintenance, as distinguished from a decree of divorce, the income of each spouse is the separate property of such spouse.

.5 Community Property - General

Community property, real or personal, is property acquired by the husband or wife during marriage (unless acquired as separate property). It includes property purchased with community funds or with funds received from the sale of community property and generally includes property purchased on the personal credit of either spouse. If property is purchased with funds which cannot be identified as separate property, such property shall be considered to be community property.

.6 Transfer of Property

A transfer of property means a change of ownership whereby an applicant or recipient through such transfer has divested himself in whole or in part of a resource actually available to him.

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

42-205 DETERMINING OWNERSHIP OF REAL AND PERSONAL PROPERTY

42-205

AB
APSB
ATD
OAS
AFDC.1 Declaration of Property Ownership

The applicant's declaration of the property he and/or his spouse own is considered sufficient proof of property ownership unless there is information indicating probable ownership of property other than that declared. In the presence of such information the facts as to ownership must be determined from appropriate records, such as recorder's records, bank deposits and withdrawals and/or through affidavits of the applicant or recipient and other individuals concerned.

.2 Title Shared With Others

There is a presumption that those who share title have equal rights to possession, control and use of the property but the presumption may be refuted by evidence to the contrary. The source and amount of funds invested in the property or the facts around the inheritance, if it was acquired in this way, must be determined in order to arrive at the share which the applicant or recipient and/or his spouse actually owns.

.3 Community Property

Each spouse is presumed to own a one-half interest in community property, regardless of which spouse holds the property. All property held in the name of the spouse of a married person is presumed to be community property unless evidence establishes it to be separate property. Exception: Burial trusts and interment plots are considered the separate property of the spouse who is to be the beneficiary or user.

AFDC

.4 Child Lives With Mother and Stepfather

When a child lives with his mother and stepfather each spouse is presumed to own a one-half interest in property held by either spouse, unless this presumption is refuted by evidence which established it to be the separate property of one spouse.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-207. PROPERTY WHICH MAY BE RETAINED BY AN APPLICANT OR RECIPIENT

42-207

AB
APSB
ATD
OAS

.1 Property Used as a Home

If real or personal property owned by the applicant, or in which the applicant owns an interest with any other person, is used to provide the applicant with a home, the value is disregarded in determining property holdings. The home may be a single dwelling or one with multiple units provided the units not occupied by the applicant are yielding income for his support consistent with their rental value. (See Income Chapter.)

It shall be considered that property is used as a home and the value disregarded during temporary absence as long as there is sound basis for anticipating that the recipient will again occupy the property within a reasonable period of time.

APSB
ATD
OAS

.2 Real Property Held to Produce Income

.21 Additional real property may be owned by the applicant or in combination with his spouse provided (1) it is producing income consistent with its value and such income is used for the support of the applicant and (2) the total county assessed value of the property does not exceed \$5,000. (See Section 41-317, Utilization of Real Property, and Net Income in Income Chapter.)

AB

.22 Additional real property may be owned by the applicant, or in combination with his spouse, provided it is producing income consistent with its value and such income is used for the support of the applicant. There is no monetary or assessed value limit on the amount of such real property which can be retained. However, it must be producing sufficient income to make an appreciable contribution to the support of the recipient.

AB
APSB
ATD
OAS

.23 Real property subject to the income producing requirement is property which is not contiguous to the home property, or if contiguous, is so situated that it could be utilized to contribute to the support of the applicant without jeopardizing free use of the home, access to water, etc. (See definition of "contiguous" under Section .1, Interpretation, above.)

In determining if the income from real property subject to the income producing requirement is consistent with the market value of the property, the total market value is considered regardless of any encumbrances against the property. (See Section 41-317.11.)

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-207 PROPERTY WHICH MAY BE RETAINED BY AN
APPLICANT OR RECIPIENT (Continued)

42-207

AB
APSB
ATD
OAS

.3 Property Held as a Reserve

- .31 The applicant for APSB, ATD or OAS may also retain as a reserve additional real and/or personal property not to exceed a value of \$1,200 (\$1,500 in AB). Separate property owned by the applicant or recipient and his share of community property is included in evaluating his total property reserve. (See Section 41-305.) The separate property of a spouse is not included.

If both of a married couple are recipients of public assistance, the property reserve of each must be within the foregoing limit. In addition, the outside limit of total reserves may not exceed \$2,000 (\$3,000 in AB) for the couple.

Real property included as part of such reserve shall be valued at its net market value. The value of any reserve which is personal property is the net market value available to the applicant for his use.

If each of a couple is an applicant and/or recipient of public assistance and the property reserve of each spouse does not exceed \$1,200 (\$1,500 if each of the couple is an applicant for or recipient of AB) but their combined property reserve exceeds \$2,000 (\$3,000 for AB), aid is granted (or continued) to one spouse and aid for the other spouse is denied (or discontinued). When aid can be granted to either one of the couple but cannot be granted to both, the decision as to which one shall receive aid rests with the couple. If it is to their advantage to grant to one rather than the other, this shall be explained.

If one of a couple is an applicant or recipient of OAS or ATD and the other is an applicant or recipient of AB or APSB their combined property reserve may not exceed \$2,000.

- APSB .32 In addition, the APSB recipient may retain other real and/or personal property not to exceed a county assessed value of \$5,000 less the total amount of encumbrances of record against such property. If the personal property is not assessable, the current market value shall be determined and the ratio which the assessed value in the county bears to the market value shall be used.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-207 PROPERTY WHICH MAY BE RETAINED BY AN
APPLICANT OR RECIPIENT (Continued)

42-207

.4 Property Held for Use in a Plan of Self-Support

- AB | .41 An AB or ATD recipient with an approved plan of self-support may retain real and/or personal
ATD | property in excess of that specified for an AB or ATD recipient, in Sections .1, .2 and .3 above,
for a period not to exceed 36 months, subject to the limitations set forth in Section 44-111.47.
- APSB | .42 An APSB recipient with a plan for achieving self-support may retain real and/or personal property
in excess of that specified for APSB recipients in Sections .1, .2, and .3 above, provided (1) such
property is or will be required to effectuate his plan for self-support and (2) the county assessed
value does not exceed \$5,000 after encumbrances of record are deducted.

AFDC | .5 Real Property — Children's Program

The combined real property holdings of a child and his parents, including the home and all other real property, may not exceed a county assessed value of \$5,000 after encumbrances of record are deducted.

.51 Real Property Other Than a Home

Real property owned but not occupied as a home by the child or the parents of such child must be used to provide for the needs of the child or his parents or both. (See Section 41-317.)

.6 Personal Property Limitations — Children's Program

AFDC shall not be granted or paid for an orphan child who has personal property, the total value of which exceeds \$600, nor for any child or children in one family who have or whose parents have or the child or children and parents have, personal property, the combined value of which exceeds \$600.

- .61 Personal property essential to completion of a recipient's approved plan for achieving self-support shall not be considered in determining personal property subject to the \$600 limitation specified in 41-307.6. Such property may include but is not limited to cash reserves, tools and equipment, and motor vehicles of reasonable value used for work or to seek work. (See 41-313.268, and 45-120.)

The case record shall show the basis on which it is determined that personal property is }
"essential" to completion of the plan for self-support.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-209

DIFFERENTIATION OF PERSONAL PROPERTY AND INCOME

42-209

AB
APSB
ATD
OAS
AFDC

.1 Definition

- .11 The nonrecurring lump-sum payment shall be considered personal property immediately upon receipt; and
- .12 The recurring lump-sum payment which is an accrual or accumulation of earnings or other benefits over a period of two or more months, shall be considered income. (See Recurring Lump-Sum Income - Income Chapter.)

.2 Types of Nonrecurring Lump-Sum Payments

Nonrecurring lump-sum payments considered personal property rather than income include:

- .21 Judgments and out of court settlements; and payments received because of compensation, personal injury or property damage laws.
- .22 Inheritances.
- .23 Insurance
 - .231 Cash received by the insured from the surrender or maturing of insurance policies or when a claim is paid on a personal or property damage policy.
 - .232 Cash received as the beneficiary of insurance, including OASDI lump-sum death payments.
 - .233 Refunds of excess premium payments on National Service Life Insurance.
 - .234 Insurance payments received as the result of fire, flood or other catastrophe. Exception in AB, ATD, OAS: such payments received because of damage to the home are exempt from consideration as either personal or real property for a period not to exceed one year if held to rebuild or repair the home.
- .24 Cash received from retirement or pension systems.
- .25 Proceeds from sale of real or personal property.
- .26 Personal income tax refunds.
- .27 Cash received as a gift.

"Gift" as referred to herein does not include any contribution which the donor has a contractual or legal obligation to make.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-209 DIFFERENTIATION OF PERSONAL PROPERTY AND INCOME (Continued)

42-209

AB
APSB
ATD
OAS
AFDC

.3 Excess Personal Property Considered Income

When, as a result of such lump-sum payment (i.e., Items 21 through 27 above) property reserve on the first of the month following its receipt exceeds the amount allowable, the excess shall be income in that month. Any unexpended portion of such income becomes personal property again on the first of the month following that in which it was considered income.

42-211

PROPERTY ITEMS TO BE INCLUDED IN EVALUATING PROPERTY WHICH MAY BE RETAINED

42-211

AB
APSB
ATD
OAS
AFDC

.1 Real Property to Be Included

In addition to those items commonly considered to be real property, the following are evaluated as real property, and are subject to the limits set forth in Section 41-307.

- .11 Real property being bought or sold under contract of sale.
- .12 Real property being sold while it is being held in escrow.
- .13 Cemetery property held for profit.
- .14 Real property held in trust, if it is available for disposition or use.
- .15 Real property in an undistributed estate when such property is available for use prior to distribution.
- .16 Stock in a water company not appurtenant to the land in furnishing water for agricultural purposes.
- .17 Patented or unpatented mining claims, timber, oil or mineral rights.

- AFDC .18 Any place of abode used by and owned by the child and/or his parents.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-211 PROPERTY ITEMS TO BE INCLUDED IN EVALUATING PROPERTY WHICH MAY BE RETAINED (Continued) 42-211

AB
APSB
ATD
OAS
AFDC

2 Personal Property to Be Included

The following items and any other property items which are not real property and not excluded under Section 41-313.2 are evaluated as personal property and are subject to the limits as set forth in Section 41-307. This includes items subject to purchase or sale under a conditional sales contract.

- .21 Cash, savings accounts, the net market value of securities. For exception in AFDC see Section 41-313.261.
- .22 The value of notes, mortgages and deeds of trust. For exception in AB, APSB, ATD, and OAS see Section 41-319.2.
- .23 Burial reserves of any type which have a cash value available to the recipient during his lifetime. (See Section 41-313.219 for burial reserves which are excluded from consideration as personal property.)
- .24 The total amount of funds on deposit in a revocable trust or similar fund.
- .25 The lessee's interest in a lease of real property for a period of years unless the property is used as a home. (See Section 41-307.1.)
- .26 Commercial or other business enterprises including farm equipment, livestock and fowl other than that retained for family use only.
- .27 Interests in firms in receivership, in undistributed estates, or in trust funds of which the applicant or recipient is beneficiary, provided such property is available.
- .28 The cash surrender value of life insurance on the life of the applicant or recipient and on the life of the spouse or, in AFDC on the life of the child or his parents.
- .29 The value of a motor vehicle which is:
 - AB
APSB
ATD
OAS .291 Not needed for transportation by the applicant or recipient. (See Sections 41-313.224 and 41-315.331.)
 - AFDC .292 Not used for work, to seek work, or to participate in a training program determined by the county as essential for a plan for self-support. (See Sections 41-313.268 and 41-315.332.)

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-213

**PROPERTY ITEMS TO BE EXCLUDED IN EVALUATING PROPERTY WHICH
MAY BE RETAINED**

42-213

AB
APSB
ATD
OAS

.1 Real Property to be Excluded

.11 The following are to be excluded in evaluating real property:

- .111 The applicant's home.
- .112 Real property owned by minor children of the applicant or recipient.
- .113 Any property right which is not available for the applicant's use or expenditure or which is essential to land use.
- .114 Separate property of a spouse.

AB
APSB
ATD
OAS
AFDC

- .12 An Indian's interest in land held in trust by the United States Government is excluded in evaluating real property which is subject to the monetary and/or assessed value limits as set forth in Section 42-207. However, to the extent that any such property is available to the applicant or recipient, it is subject to the utilization requirements in Section 42-217.**

AFDC

.13 The following items are to be excluded in evaluating real property:

- .131 Real property held in trust if the child or parent does not have control of the trust of which he is the beneficiary.
- .132 The separate and community share of real property of a parent who has surrendered full custody of his child pursuant to a court order.
- .133 The separate and community share of real property of a parent who has relinquished his child for adoption.
- .134 The separate and community share of real property of the father of a child who is not married to the mother and the parents are not maintaining a home together. Exception: If the father has legitimized the child under Section 230 of the Civil Code, his property is included whether or not the parents are maintaining a home together.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-213

**PROPERTY ITEMS TO BE EXCLUDED IN EVALUATING PROPERTY WHICH
MAY BE RETAINED (Continued)**

42-213

AFDC

.135 The separate and community share of real property of a stepfather.

.136 Property purchased with funds received under Title I or Title II of the Economic Opportunity Act when such funds were excluded from consideration as income or resources. This exclusion does not extend to income or profits derived from such property.

AB.2 Personal Property to be ExcludedAPSB

The following are excluded when evaluating total personal property:

ATDOASAFDC.21 Applicable to All Programs

.211 Funds held in escrow account if the escrow can be revoked only upon the consent of all parties involved.

.212 Recurring lump-sum income (see Income Chapter).

.213 Stock in a water company not appurtenant to the land in the amount necessary for agricultural purposes.

.214 Items necessary to implement a rehabilitation or self-care plan for the applicant or recipient.

.215 The value of personal effects (clothing, household furnishings and equipment, personal jewelry, musical instruments and other recreational items).

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-213 PROPERTY ITEMS TO BE EXCLUDED IN EVALUATING PROPERTY WHICH MAY
BE RETAINED (Continued)

42-213

<div style="border: 1px solid black; padding: 2px;"> AB APSB ATD OAS AFDC </div>	.216 Loans not available for current need because of conditions imposed by the lender. .217 A share in an estate which is not distributed and of which the person has no economic use.
--	---

.218 The following burial reserves when the total amount paid for all such items does not exceed \$1,000:

- a. Money or securities placed in an irrevocable trust for funeral, cremation or interment expenses with any of the trustees mentioned in Section 7736 of the Business and Professions Code.

An irrevocable trust, within the meaning of this section is a written agreement between the applicant or recipient and the trustee(s) which expressly provides that the trust agreement is irrevocable, and that the trustee obligates himself to apply the money held in trust for the funeral, cremation or interment of the applicant or recipient.

Trustees mentioned in Section 7736 of the Business and Professions Code are limited to:

- (1) A banking institution or trust company legally authorized and empowered by the State of California to act as trustee in the handling of trust funds

or

- (2) Not less than three persons, one of whom may be an employee of the funeral director who is entering into a Preneed Funeral Arrangement as provided in Business and Professions Code Sections 7735 through 7742.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-213

PROPERTY ITEMS TO BE EXCLUDED IN EVALUATING PROPERTY WHICH
MAY BE RETAINED (Continued)

42-213

AB
APSB
ATD
OAS
AFDC

- b. Life or burial insurance purchased specifically for funeral, cremation or interment expenses which is placed in an irrevocable trust or which has no loan or cash value available to the insured during his lifetime. Included are:

- (1) An insurance policy on the life of the applicant payable to a beneficiary who has irrevocably agreed to apply the proceeds from the insurance for funeral, cremation or interment of the insured.
- (2) An insurance policy which is payable on death to the estate of the insured and thus, in effect, becomes a resource earmarked for burial.

- c. Securities issued by a licensed cemetery authority which by their terms are convertible only into payment for funeral, cremation or interment expenses.

In addition to the foregoing, the value of an interment plot, vault or crypt, retained for use of the owner, is also excluded from consideration as personal property and is not subject to the \$1,000 total payment limitation specified above.

Burial reserves excluded from consideration as personal property under this section are considered to be the separate property of the person for whose use they are intended.

AB
APSB
ATD
OAS

.22 Applicable to AB, APSB, ATD, OAS

- .221 Any personal property used as a home.
- .222 Personal property owned by minor children of an applicant or recipient including insurance policies on the lives of minor children.
- .223 Proceeds from the conversion of property being retained for the purpose of buying a home, up to eighteen months after initiation of a plan to purchase a home. (See Section 41-319.2.)
- .224 A Motor Vehicle Needed for Transportation

Need exists for a motor vehicle as a means of transportation when no other means is available or when the applicant or recipient is not physically able to use any other type of transportation. However, a motor vehicle, the market value of which exceeds \$1,500, without regard to any encumbrances, is not considered to be a vehicle needed for transportation. (See Section 41-315.331 regarding method of evaluating a motor vehicle.)

- .225 Separate personal property of a spouse except when the spouse is also an applicant for or a recipient of public assistance. (See Section 41-307.31.)

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-213

PROPERTY ITEMS TO BE EXCLUDED IN EVALUATING PROPERTY WHICH MAY
BE RETAINED (Continued)

42-213

AB | .23 Applicable to AB Only

- .231 An educational scholarship or reader funds or both if the recipient is regularly attending any public school, the University of California or any other institution of higher learning in this state, provided such funds are not available to meet basic needs.

APSB | .24 Applicable to APSB Only

- .241 An educational scholarship, funds for a reader, or both.

- .242 Cash surrender value of life insurance, provided:

The policy is on the life of the applicant or recipient
and

The policy has been in effect at least five years prior to the date of application for APSB
and

The maturity value does not exceed \$1,000.

- .243 Cash or insurance to the extent of \$500 provided such cash or insurance has been placed in trust for:

- a. Interment plots, and
- b. Funeral or interment expenses.

ATD | .25 Applicable to ATD Only

- .251 An educational scholarship or reader funds or both if the recipient is regularly attending any public school or other institution of higher learning provided such funds are not available to meet basic needs.

AFDC | .26 Applicable to AFDC Only

- .261 Any reasonable accumulations resulting from any exempt earned income of a child which is being saved for future education or training or for other future identifiable needs.

- .262 The separate and community share of personal property of a parent who has surrendered full custody of his child pursuant to a court order.

- .263 The personal property belonging to the absent parent and not available to the family if it is held by or in the name of the absent parent and the family does not have access to it to meet current needs.

- .264 The separate and community share of personal property of a parent who has relinquished his child for adoption and the relinquishment has been filed with the State Department of Social Welfare.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-213 PROPERTY ITEMS TO BE EXCLUDED IN EVALUATING PROPERTY WHICH MAY
BE RETAINED (Continued)

42-213

- AFDC .265 The separate and community share of personal property of the father of the child who is not married to the mother if the parents are not maintaining a home together. Exception: If the father has legitimized the child under Section 230 of the Civil Code, his property is subject to the same inclusions and exclusions as that of the father who is married to the mother.
- .266 The separate and community share of personal property of the stepfather.
- .267 The exclusive property of an ineligible child.
- .268 The value of a vehicle used for work, to seek work, or to participate in a training program determined by the county welfare department to be essential to a plan for self-support. However, a motor vehicle the value of which exceeds \$1,500, without regard to any balance due on a conditional sales contract, shall not be excluded. (See Section 41-315.332 re method of evaluating a motor vehicle.)

42-215 DETERMINING VALUE OF PROPERTY

42-215

AB
APSB
ATD
OAS
AFDC

.1 Determination of Value of Real Property

The value of real property is determined by subtracting any allowable encumbrances, against it from its market value.

.11 Allowable encumbrances on real property are listed below:

- (a) Mortgages
- (b) Notes
- (c) Deeds of trust
- (d) Payment receipts
- (e) Loan payment books
- (f) Delinquent tax liens
- (g) Judgments items
- (h) Mechanics liens
- (i) Assessments

Effective 10/1/71

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-215 DETERMINING VALUE OF PROPERTY (Continued)

42-215

AB
APSB
ATD
OAS
AFDC

- (j) Unpaid balance on property
- (k) Amount paid on the principal for property sold under a contract of sale.

.12 Applicant and/or Spouse Not Sole Owners

If the applicant or the applicant and his spouse are not the sole owners of property, only his or their proportionate share is included in their respective holdings.

AFDC

.13 Property of Family Budget Unit

Real property holdings of the Family Budget Unit is all real property (subject to inclusions and exclusions in Sections 42-211.1 and 42-213.1) owned by the child and/or his parents (even though the parents are living apart).

AB
APSB
ATD
OAS
AFDC

- .14 In order to identify real property holdings of recipients the county shall, at least, contact the local county assessor, recorder or tax collector.

AB
APSB
ATD
OAS
AFDC

.2 Acceptable Evidence of Value of Real Property

- .21 The market value of real property shall be based on the assessed value on the most current tax statements from the county assessor, recorder or tax collector.

.211 Use of Assessed Value to Determine Market Value

The market value shall be determined by multiplying by four (4) the assessed value.

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

42-215 DETERMINING VALUE OF PROPERTY (Continued)

42-215

AB
APSB
ATD
OAS
AFDC

.22 Evidence of an allowable encumbrance shall be the written document which supports it. Evidence of unwritten encumbrances shall be the sworn statements of all parties, under penalty of perjury, to the following:

- .221 initial and maturity date;
- .222 extent of encumbrances; and
- .223 value received.

.3 Determination of Value of Personal Property

.31 Value of Property Other Than a Motor Vehicle

The value of personal property other than a motor vehicle is the cash value of the property less encumbrances within the limitations specified in Section .4 below.

.32 Acceptable Evidence of Value of Personal Property Other Than a Motor Vehicle

.321 The evidence of the value of the applicant's or recipient's personal property shall include the following:

- (a) Bank books
- (b) Postal savings certificates
- (c) U.S. bonds
- (d) Insurance policies
- (e) Purchase contracts
- (f) Payment books

Effective 10/1/71

DO NOT WRITE IN THIS SPACE

4

•

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

42-215 DETERMINING VALUE OF PROPERTY (Continued)

42-215

AB
APSB
ATD
OAS
AFDC

.322 Acceptable Evidence of the amount of encumbrance on personal
shall be any of the following:

- (a) Notes
- (b) Payment receipts
- (c) Loan payment books
- (d) Tax bills
- (e) Sales contracts
- (f) Current appraisals
- (g) Tax receipts
- (h) Any documented form on which amounts can be verified
by contacting the agency.

DO NOT WRITE IN THIS SPACE

RECEIVED 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

42-215 DETERMINING VALUE OF PROPERTY (Continued)

42-215

AB .4 Encumbrances on Personal Property

APSB

ATD

OAS

Encumbrances of record against personal property are obligations for which the property is security and include:

- .41 Loans
- .42 Attachments for debts or taxes
- .43 Chattel mortgages and liens
- .44 The unpaid balance on the purchase price of property purchased under a conditional sales contract.
- .45 The amount paid on the principal for property sold under a conditional sales contract.
- .46 Funeral and last expenses of a deceased person when all or a portion of the personal property received from the death of such person is to be used to defray such expenses.
- AFDC .47 The unpaid balance of the purchase price of property purchased under a conditional sales contract.
- .48 The amount paid on the principal for property sold under a conditional sales contract.
- .49 Funeral expenses when all or a part of personal property received through the death of a spouse, a child or a parent is to be used to defray such expenses.

Other types of encumbrances such as loans, chattel mortgages and liens are not considered in determining personal property value in AFDC.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-217 UTILIZATION OF REAL PROPERTY

42-217

AE
APSB
ATC
OAS
AFDC

.1 Definition of Utilization

.11 Reasonable Contribution to Recipients Needs - Income or Sale

Real property is utilized when it is making a reasonable contribution toward current needs, when a plan for its use supports a conclusion that it will so contribute in the immediate future, or when it is sold for an amount consistent with its current market value, and the plan and terms of sale are consistent with the requirement of reasonable contribution toward current needs.

Real property other than the home is expected to yield income reasonably consistent with its value. Unless there are unusual circumstances, such property should yield a minimum net return of six percent per year on the market value of the property. Net return is determined by deducting allowable expenses (see Income Chapter, Net Income). If the property is vacant for a portion of the year, only the prorated percentage of return which represents the period of occupancy shall be used. If a plan for the use of such property supports a conclusion that it will contribute to the need of the applicant in the immediate future, or if it is sold for an amount consistent with its current market value and the plan and terms of sale are consistent with the requirement of reasonable contribution toward current needs, the requirement for use of the property is met.

.112 Multiple Dwelling Unit

When the home is a multiple dwelling unit, the units not occupied by the recipient are expected to produce income consistent with their rental value. Consideration shall be given to the circumstances of each recipient so that undue hardship is not imposed. If the units have little or no net rental income, but are being rented as continuously as possible, the requirement that such units produce income consistent with their rental value is met.

.12 Sale Not a Reasonable Plan of Utilization

Sale as a means of utilization is not considered reasonable if:

- .121 The property is a multiple dwelling, one unit of which is used as the home of the adult recipient or his spouse or the parent or child in AFDC.

- AFDC .122 In AFDC the net proceeds which it might be reasonable to expect to realize from the sale together with other personal property of the child and/or his parent would not exceed \$600.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-217 UTILIZATION OF REAL PROPERTY

42-217

.2 Recipient Action Toward Utilization

.21 Statutory Requirements

The law requires that (1) if the home consists of multiple units, those units not occupied by the applicant be rented so that they may yield income for the support of the recipient, and (2) real property other than the home yield income consistent with its value for the support of the recipient. These requirements mean, in effect, that the recipient must utilize such property to help meet his needs.

.22 Period Allowed for Initiating Utilization Plan

The recipient is given a reasonable period in which to initiate a plan for utilization of property not already being utilized in some acceptable way. For new applicants this period is three months from the date the application was granted. Otherwise, this period is three months from the date the recipient was advised of the utilization requirement. In either case, the period may be extended if circumstances beyond his control prevent the owner from proceeding with his plan. If a recipient has made no effort to utilize his property by the expiration of a reasonable period, ineligibility results.

An applicant or recipient who refuses to consider development of a plan for utilization becomes ineligible immediately.

.23 Period Allowed for Development of Utilization Plan

Until an acceptable method of utilization is found, all reasonable methods must be attempted and the recipient is given one year (including the initial three-month period) in which to develop such an acceptable method of utilization. This period may be extended if there are extenuating circumstances which support a conclusion that a successful method of utilization can and will be developed within six months following expiration of the one-year period.

APSB .24 Property Held to Assist in a Plan of Self-Support

The foregoing requirements do not apply to the additional property which a recipient of APSB may own to assist him in his plan for self-support. (See Section 41-307.42.)

AB .3 Decision As to Way of Utilizing Property

APSB
ATD
OAS
AFDC

The applicant or recipient makes the decision as to the way in which he will utilize his property provided the chosen plan is one from which it appears that reasonable net income will be derived, or one which is otherwise consistent with the requirement that the property be utilized to meet the need for shelter or contribute to his support.

RECORDED 10/1/72

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-219 ACQUISITION AND CONVERSION OF REAL AND PERSONAL PROPERTY

42-219

AB
APSB
ATD
OAS
AFDC

.1 Flexible Application of Property Regulations

These regulations are to be applied in a flexible and reasonable manner which within the limits specified in the code, will allow the recipient a maximum freedom of choice in the acquisition, conversion, or disposition of property resources without affecting his eligibility.

Real or personal property may be acquired or converted to other forms by a recipient without affecting eligibility if the resultant holdings do not exceed the maximum allowed by the code (see Section 41-321 et seq., regarding property transfers which do not result in ineligibility).

AB
APSB
ATD
OAS

.2 Use of Property to Acquire a Home

The applicant or recipient who does not own a suitable home, i.e., one which meets his requirements, or the applicant or recipient who desires to sell his home and purchase another, shall be permitted to use any real property or the proceeds from the sale of real property to buy a home. Any such property (or proceeds) shall be considered to be used as a home and no value placed thereon provided:

- a. He has a definite plan to use the property through conversion or transfer within six months for the purpose of providing himself with a home.

and

- b. The property or the proceeds received from the sale of property are used to purchase a home, or apply on the balance due on a home already purchased within one year from the date of the sale or within one year from the date of application, whichever is later. Such proceeds may also be applied to the costs of moving, necessary furnishings and repair and alteration to the home; or an amount may be retained within the limits set for a reserve (see Section 41-307.3).

If within the one year and prior to purchase of a home, a portion of the proceeds is diverted to some other purpose, the status of the remainder is not affected provided such remainder of the proceeds is being retained to apply on the purchase of a home.

In effect, this means real property and the proceeds from real property may be evaluated as a home for up to 18 months after initiation of a plan to purchase a home.

Proceeds in the form of a trust deed, promissory note or mortgage received from the property converted continue to be evaluated as a home after a home is purchased, as long as all payments including principal and interest received thereon after purchase of the home, are applied on the balance due on the home or for the cost of necessary repairs, moving expenses or necessary furnishings. "Balance due" as used herein is limited to principal and interest payments on the home.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

42-221 TRANSFER OF PROPERTY

42-221

AB Property, real or personal, constitutes a resource and is subject to the
APSB basic public assistance principle that resources which are actually
ATD available to the applicant or recipient must be considered in evaluating
OAS need and in determining eligibility. Since property is a resource, the
AFDC transfer or assignment of property for less than the fair market value must
be examined. If the property transferred would have affected the eligi-
bility of the applicant or recipient, the amount of grant to which he was
entitled or would have been subject to the utilization requirements, the
purpose and intent of the transferor must be evaluated.

.1 Responsibilities in Property Transfers

.11 Responsibility of Applicant

Applicants and recipients are responsible, insofar as able, for giving all available information to assist the county in determining whether a transfer of property was made in order to qualify for aid, to qualify for a larger amount of aid or to avoid utilization. Recipients are also responsible for immediately notifying the county of any transfer which occurs after aid is granted.

Although only the person concerned can state what his intent was in transferring property, his actions can support or contradict such a statement and his real intent can be determined only by consideration of all the facts.

.12 Responsibility of County

The county is responsible for informing the applicant and recipient regarding real and personal property limitations and requirements, his rights and responsibility in relation to his property and the advisability of discussing any proposed property transfer with the county before the transfer occurs.

OAS .13 Responsibility of Other Persons

Any person who assists an applicant in transferring property, knowing the property owner is an applicant for OAS, is responsible for giving the county fifteen days advance notice of the intention to make the transfer.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

~~42-221~~ TRANSFER OF PROPERTY (Continued)

42-221

AB
APSB
ATD
OAS
AFDC

.2 Transfers of Real or Personal Property Which Do Not Result in Ineligibility

There is a presumption that transfers made more than two years preceding the application were not for purposes of qualifying for aid or for a greater amount of aid or to avoid utilization. Other circumstances under which property transfers do not result in ineligibility are specified in the following sections:

.21 Transfer for Fair Consideration

A transfer of property in which the grantor receives fair consideration, in light of current property values, in return for his equity does not result in ineligibility provided the resultant holdings are within the maximum allowed.

.22 Transfer to Satisfy a Debt

A transfer of property to satisfy a bona fide debt or obligation in an amount which represents a reasonably adequate consideration for the grantor's equity does not result in ineligibility. Due to the mutual obligation existing between parent and child, support given to a parent is not a valid debt unless there is evidence that the child became indebted in order to render the assistance or that the assistance given otherwise resulted in undue hardship on him or his immediate family.

.23 Transfer When Foreclosure Imminent

Transfer or assignment of property when foreclosure or repossession is threatened, or when it is clear that such property cannot be retained, does not result in ineligibility unless there is evidence of collusion. When there is evidence that a grantor was unable to refinance the property due to the necessity for payment of a substantial sum on the principal or because of his advancing years and diminishing ability to make payments, the transfer may be held to involve property in which foreclosure was imminent.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

42-221 TRANSFER OF PROPERTY (Continued)

42-221

AB
APSB
ATD
OAS
AFDC

DO NOT WRITE IN THIS SPACE

- .25 Transfer of Real Property with Retention of Life Estate
(Eligibility Not Affected)

Real property transferred with retention of life estate is subject to the monetary and/or assessed value limits as set forth in Section 42-207.

- .26 Transfer of a life estate shall be subject to the same treatment as if it were a transfer of the entire interest in the property itself. The value of the life estate shall be the same as that of the specific property involved.

3 Transfers of Real or Personal Property Which Result In Ineligibility

Transfers of property made to qualify for aid or for greater amount of aid, or to avoid utilization, result in ineligibility. Circumstances under which ineligibility is presumed to exist as a result of property transfer are specified in the following sections.

.31 Transfer in Return for Life Care

A transfer of property subject to the condition that the grantee will provide full support for the grantor for the remainder of his life renders the grantor ineligible. If an enforceable contract provides for less than full support, the value of the support provided shall be considered income.

.32 Transfer for Purpose of Reducing Holdings Within Statutory Maximum

A transfer of property to reduce remaining holdings within the statutory maximum results in ineligibility. If the transfer occurred more than two years prior to the date of application for public assistance, there is a presumption that the transfer was made in good faith and not for the purpose of qualifying for aid.

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-221 TRANSFER OF PROPERTY (Continued)

42-221

AB
APSB
ATD
OAS
AFDC

.321 Applicant or Recipient Unable to Account for Disposition of Property

When an applicant or recipient claims that his property holdings have been reduced within the statutory maximum but is unable to satisfactorily account for the disposition of the property, there is a presumption that the property was transferred for the purpose of qualifying for aid.

.33 Transfer of Real Property for the Purpose of Avoiding Utilization

Even though the county assessed value less encumbrances of real property owned by an applicant or recipient or his equity therein is within the statutory maximum, a transfer of all or a portion of such property results in ineligibility if the transfer is made:

.331 To avoid utilization of the property, or

.332 To safeguard future eligibility status by divesting the applicant or recipient of proceeds which he would receive if the property were sold.

.34 Transfer of Real Property With Retention of Life Estate
(Ineligibility Presumed)

There is a presumption that ineligibility results from a transfer of real property without consideration with retention of life estate if:

- a. Transfer was within two years of date of application for public assistance and,
- b. Utilization of property was possible only by sale, and
- c. Value of personal property when added to market value of transferred property would have exceeded the maximum amount of property reserve permitted by law.

The presumption is overcome if the transferor's purpose at the time of transfer was not to avoid utilization or future ineligibility. (See Section .25 above for circumstances under which it is presumed that a transfer of property with retention of life estate does not affect eligibility.)

DO NOT WRITE IN THIS SPACE

Executive 10/2/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-221 TRANSFER OF PROPERTY (Continued)

42-221

AB .35 Relinquishment of Life Estate to Avoid Utilization

**APSB
ATD
OAS
AFDC**

Relinquishment of a life estate in real property is presumed to be for the purpose of avoiding utilization if:

- a. The property is being utilized by the life tenant either as his home or in another way, or utilization is feasible, and
- b. The life tenant does not receive adequate consideration.

Unless this presumption is overcome, ineligibility results.

When the transfer of title with retention of life estate occurred two or more years prior to application for public assistance, adequate consideration for a subsequent relinquishment of the life estate is determined by applying the California State Gift Inheritance Tax formula (see Interpretation below). Otherwise, adequate consideration is that which is consistent with the net sale value of the property at the time of relinquishment. If the remainderman has invested in the property, the value of the life estate would be modified by the remainderman's investment.

.36 Transfer of Income Producing Personal Property

There is a presumption that a transfer of income producing personal property is for the purpose of qualifying for a greater amount of aid. Unless this presumption is overcome ineligibility results.

.4 Duration of Ineligibility Due to Transfer of Property

After a transfer of property which resulted in ineligibility, the period of ineligibility to public assistance begins the first day of the month following that in which the transfer occurred. This period is not extended because of income received during the period.

Aid paid to a recipient during the period of ineligibility has no effect on the period of ineligibility.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-221 TRANSFER OF PROPERTY (Continued)

42-221

AB
APSB
ATD
OAS
AFDC

.41 Duration of Ineligibility Due to Transfer of Real Property

The duration of ineligibility due to a transfer of real property (other than that included in the allowable reserve) is the period during which a reasonable return for the grantor's equity in the property, had it been sold, would have supported the grantor and those dependent upon him. If at the time of transfer the grantor's property reserves were less than the maximum allowable (see Section 41-307.3), the amount which would have been available to support the grantor and his dependents from the property transferred is reduced by that amount which would have given him the maximum property reserve, before the period of ineligibility is computed.

.42 Duration of Ineligibility Due to Transfer of Personal Property

The duration of ineligibility due to a transfer of personal property is the period during which the amount of personal property in excess of the statutory maximum at the time of the transfer would have supported the grantor and those dependent upon him.

.43 Monthly Maintenance Allowance

The following amounts are used as the monthly maintenance allowance for an individual with, and without, dependents: (A dependent is one whose major support has come from the applicant or recipient.)

1 person	\$200
1 person with spouse, or, 1 person with one dependent	300

The allowance is increased by \$100 for each additional dependent.

Allowance may also be made for the actual cost of necessary expenditures, other than normal living expenses, i.e., major medical costs, out-of-home care, major repairs to the home when necessary to put it into a livable condition, etc.

.44 Two or More Transfers

If there are two or more transfers resulting in ineligibility and each of the transfers reduced property within the amount allowable to qualify for aid, the period of ineligibility is the sum of the periods resulting from each transfer and begins with the first day of the month following that in which the first transfer occurred.

.45 Period of Ineligibility Ends

The period of ineligibility ends if the property which was transferred and which caused ineligibility is reconveyed to the grantor, or if he receives reasonably adequate consideration for it subsequent to the transfer.

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

42-223 SPECIAL PROPERTY CONSIDERATIONS

42-223

AB
APSB
ATD
OAS
AFDC

.1 Property in Another State

Although the assessment rates or methods in other states may not be the same as in California, the assessed value set by the local unit in the other state is used. Questions regarding property outside the state may be cleared with the county assessor or other appropriate public official in the locality in which the property is located.

.2 Tax Exemptions

Veterans (and in some cases their widows and parents) are allowed certain tax exemptions which are applied either to real or personal property. If the record used to determine the assessed value shows only the amount of assessment upon which taxes are based, the amount of exemption would be determined and added to the taxable value to determine the assessed value.

.3 Property Outside the United States

If property is located outside the United States, the assessed or market value is determined on the basis of the rate of exchange in American dollars, regardless of the manner by which other units of government determine the assessed value.

.4 Ownership of Property in Militarily Occupied Areas

Ownership and value of property located in countries actively at war or in conquered or occupied areas is considered to be in doubt and the facts as to the holdings usually cannot be ascertained. If it is impossible to obtain information on property located in such countries, it is the presumption that continued ownership is in doubt and that such property has no present value in determining eligibility.

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

DIVISION 42 NONLINKING FACTORS OF PUBLIC ASSISTANCE ELIGIBILITY

CHAPTER 42-300 FINANCIAL ELIGIBILITY

42-300 FINANCIAL ELIGIBILITY 42-300

42-301 ADULT AID RECIPIENTS 42-310

OAS
ATD
AB

An applicant or recipient is financially eligible during those budget periods in which he is entitled to receive a cash grant.

AFDC

42-303 AFDC REQUIREMENTS 42-303

An applicant or recipient is financially eligible during those budget periods in which both of the following conditions are met:

- .1 The nonexempt income (as defined by Section 44.111.5) of the FBU, is less than the corresponding level of the Basic Standard of Adequate Care as follows:

Number of Persons Within the FBU	Basic Standard of Adequate Care
1	\$125
2	210
3	255
4	314
5	362
6	408
7	449
8	496
9	543
10	590

plus five dollars (\$5) for each additional person within the FBU.

- .11 In cases of initial eligibility determination or the eligibility determination of a case which has been terminated for four consecutive months or longer, the earned income exemption allowed in Section 44-111.23 shall be excluded from determination of nonexempt income.

Effective 10/1/71

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

42-303 AFDC REQUIREMENTS (Continued)

42-303

AFDC

.2 The FBU is otherwise entitled to receive a cash grant.

42-307 ACCEPTABLE EVIDENCE OF FINANCIAL ELIGIBILITY

42-307

AB
ATD
OAS
AFDC

Evidence of the applicant's or recipient's income shall include the following:

- .1 Earned Income - Written statement of earnings from the most recent employer(s). In order to identify such employers the county shall contact the local state office of employment and the Social Security Administration and inspect the applicant's or recipient's copy of his most recent federal income tax return.
- .2 All Other Income - Evidence shall be the applicant's or recipient's sworn statement, under penalty of perjury, in the absence of conflicting information.

42-309 DISCONTINUANCE DUE TO FINANCIAL INELIGIBILITY

42-309

AB
APSB
ATD
OAS
AFDC

Aid to a recipient shall be discontinued because of financial ineligibility in the following instances:

- .1 When the grant the recipient would be entitled to receive during a payment period is zero (unless it is reduced to zero in order to adjust for a prior overpayment--see Section 44-335), effective the last day of the previous payment period.
- .2 When the recipient fails during a budget period to meet the financial eligibility test outlined in Section 42-303.1, effective the last day of the previous payment period.

AFDC

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

DIVISION 42 NONLINKING FACTORS OF PUBLIC ASSISTANCE ELIGIBILITY

CHAPTER 42-400 RESIDENCE

AB
ATD
OAS
AFDC
MN

42-400 RESIDENCE

42-400

Residence in the state, but not in the county, is a requirement for receipt of aid. However, it is necessary to determine the county in which the applicant lives in order to establish county responsibility for payment of aid. (See Section 40-125.)

42-401 STATE RESIDENCE FOR ELIGIBILITY

42-401

No durational period of residence in the state or county is required.

42-403 RESIDENCE - GENERAL

42-403

.1 Definition of Residence

A person is establishing residence at the place where he is living if he has no present intention of leaving. Residence, in the state, once established, continues until the recipient leaves the state and establishes residence elsewhere.

.2 Residence Established by Physical Presence

A person (including a child) establishes residence in the state by physical presence for purposes not temporary in nature.

.3 Program Requirements

The husband or wife may each have a separate residence, a fact which is established by the actions and intent of each. An applicant for or recipient of aid does not lose residence for aid because of marriage, but moving out of state with the spouse also implies intent to establish residence elsewhere.

42-405 RIGHTS AND RESPONSIBILITIES OF APPLICANTS OR RECIPIENTS

42-405

.1 Rights of Residence Location

Applicants for or recipients of aid have the same freedom of movement and choice of a place to live accorded other citizens of California.

.2 Informing County of Whereabouts and Continuing Need

An applicant or recipient, including the parent or person responsible for the child receiving aid in AFDC, shall immediately inform the county to which he has applied, or the county paying aid, if he goes to another county, state, or country, for either a temporary or an indefinite stay. (See Section 40-181.4.) Following such notification from a person who is absent from the state or country, or upon discovering that such person is in another state, or country, the county shall require a written monthly statement from such person explaining in detail the circumstances and reasons for remaining out of state, his intent to retain residence in California, and his continuing need for public assistance. If the person, who is absent from the state or country, fails promptly to submit such monthly statements, it shall be presumed that the person has changed his place of residence or that need no longer exists and aid shall be immediately discontinued. The county shall explain this reporting responsibility to each applicant or recipient so that there will be no inappropriate discontinuance of aid.

Effective 10/1/71

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

42-407 ACCEPTABLE EVIDENCE OF RESIDENCE INTENTION

42-407

AB
ATD
OAS
AFDC
MN**.1 Applicant or Recipient Physically Present in State****.11 General**

The written statement of the applicant or recipient is acceptable to establish his intention and action on establishing residence unless the statement is inconsistent with other statements on the Form 201 or with the conduct of the person or with other information known to the county.

.12 Applicant or Recipient is an Alien

The applicant or recipient who is not a citizen of the United States must establish his residence by one of the following:

.121 A certificate signed by the alien under penalty of perjury that to the best of his knowledge he is in the county legally and is entitled to remain indefinitely, or certifies he is not under order for deportation, or certifies if married, his spouse is not under order for deportation.

.122 Affidavits of two United States citizens attesting to the alien's continuous residence in the United States for five years or more at the time the county requests certification of his legal right to reside.

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

42-407 ACCEPTABLE EVIDENCE OF RESIDENCE INTENTION (Continued)

42-407

AB
ATD
OAS
AFDC
MN**.13 Verification of Alien Status**

.131 If the alien establishes his residence under Section 42-407.121 above, aid may be granted provided all other eligibility requirements are met. The alien certification shall then be forwarded by the county to the United States Immigration and Naturalization Service for verification and aid shall continue pending such verification. If INS is unable to verify the matter set forth under Section 42-407.121, aid shall be terminated.

.132 Affidavits submitted pursuant to Section 42-407.122 shall constitute a rebuttable presumption that the alien is entitled to be in the country for purposes of determining eligibility. If such affidavits attest to the fact that the alien has resided continuously in the United States:

- a. for a period of less than 20 years, the county may rebut this presumption through independent verification, including verification by INS.
- b. for a period of 20 years or more, the county may rebut the presumption through verification of the duration of residence by INS only if the county has reason to question the validity of the duration of residence stated on the affidavits.

.14 Language Requirement

If the alien is not fluent in English, it shall be the duty of the county to provide an understandable explanation of the requirements in a language in which he is fluent.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-407 ACCEPTABLE EVIDENCE OF RESIDENCE INTENTION (Continued)

42-407

.2 Absence from State

.21 County Determination — Temporary or Permanent

Physical absence from the state including absence from the country, indicates a possible change of residence. The county must determine whether the absence is due to a change of residence or is for a temporary purpose and whether eligibility otherwise continues.

.22 Absence from the State for More Than a Year

If the recipient is absent from the state for over a year, and is prevented from returning because of illness or other good cause, such as inability to travel alone or physical inability to care for himself, his statement of intent to retain California residency must be supported by other evidence.

.23 Temporary Absence from State

The place of residence is not changed by a person's absence from the state for a temporary purpose.

42-415 PERSONS INCAPABLE OF CHANGING RESIDENCE

42-415

.1 Deprived of Freedom of Movement

The place of residence for persons who are deprived by court action of freedom of movement remains the same as at the time of the court action.

.2 Guardian or Conservator

The place of residence for one for whom there is a court appointed guardian or conservator of the person may be changed by decision of the guardian or conservator accompanied by removal of the ward or conservatee to another place.

42-416 PERSONS ON PAROLE

42-416

Persons on parole from correctional institutions may by intent establish residence.

42-417 PERSONS LIVING ON LAND LEASED OR OWNED BY THE UNITED STATES

42-417

Persons living within the boundaries of California on land leased by United State's agencies from the state, its political subdivisions, or individuals, or on land owned by the United States, may by intent establish residence in the state.

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

DIVISION 42 NONLINKING FACTORS OF PUBLIC ASSISTANCE ELIGIBILITY

CHAPTER 42-420 INTERSTATE COOPERATION ON RECIPIENT MOVEMENT

42-421**RECIPIENTS FROM OTHER STATES****42-421**

AB
ATD
OAS
AFDC
MN

Recipients of categorical aid from other states who move to California with the intent to make their homes here shall be granted aid promptly, if otherwise eligible. County welfare departments shall work out cooperative arrangements with the other state to preclude any break in the receipt of assistance and to avoid the duplication of aid payments from two states.

42-422**CALIFORNIA RECIPIENTS MOVING TO OTHER STATES****42-422**

AB
ATD
OAS
AFDC
MN

Recipients of categorical aid from California who move to another state and intend to make their homes there shall have aid discontinued from California immediately upon having aid granted by the other state.

42-423**NOTIFICATION TO APPLY IN ANOTHER STATE****42-423**

AB
ATD
OAS
AFDC
MN

The county welfare department shall give written notification to all recipients who are living out of the state to immediately apply for aid in the other state unless intent to return to California is clearly established and if the intent is to return to California, that application need not be made in the other state but California welfare regulations continue to apply to them. The notice shall indicate that aid shall be immediately discontinued unless the recipient responds within thirty days, indicating either that application has been made in the other state or that California residence is being retained.

42-424**APPLICATIONS BY RECIPIENTS IN OTHER STATES****42-424**

AB
ATD
OAS
AFDC
MN

When notification is received by the county from the recipient that application for aid is being made in the other state direct communication with the appropriate state or local welfare department in the other state shall be initiated to coordinate the discontinuance of aid from California and the granting of aid by the other state. However, pursuant to W&IC Section 11103, aid shall not be continued by California beyond the end of the month following that in which the recipient applies for aid in the other state. If the person is not eligible for aid in the other state, aid shall be discontinued immediately upon notification of this by the person or the other state.

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

DIVISION 42 NONLINKING FACTORS OF PUBLIC ASSISTANCE ELIGIBILITY

42-500 INSTITUTIONAL STATUS

42-500

42-501 INTRODUCTION - LIVING ARRANGEMENTS - GENERAL

42-501

AB
ATD
OAS

The following principles set forth in this section shall be observed in evaluating and planning living arrangements for public assistance recipients.

The regulations which follow this section beginning with Section 42-603 cover special provisions relating to the eligibility or ineligibility to aid payments for persons in various types of institutional living arrangements.

.1 Right of Choice by Recipient

Payment of aid gives no authority to the assistance agency or to any representative of the agency to determine the recipient's living arrangements. However, under certain conditions an individual may not be eligible to receive aid while in an institution. When feasible, he should be informed in advance concerning any effect a contemplated, and sometimes necessary, institutional living arrangement may have on his eligibility to public assistance.

The law provides that aid shall be given to a person in his own home or in some other suitable home of his own choosing in preference to placing him in an institution. However, the desirability and need for institutional care under some circumstances is recognized and the right of the individual to make his own living arrangements includes the right to live in a boarding home or other institution of his own choice.

.2 Agency Responsibility

The county department carries an underlying duty to safeguard the well being of the recipient and, when he is in need of care, to assist him in obtaining it in his own home or elsewhere. This includes helping, as needed, with arrangements for housekeeper, homemaker or other attendant services which will enable the recipient to remain in his own home as long as possible or, when out-of-home care is needed, assisting in locating and arranging admission to the facility which will best meet the recipient's particular needs.

.3 Recipient Participation in Planning

Essential to effective planning is the recipient's participation within his capacity. In spite of the apparent necessity for care, the agency should not undertake to arrange for personal assistance in the home or for care in another setting unless such a plan is the accepted choice of the recipient. The exception to this, of course, is in instances where the recipient has lost the right of decision by legal process or has lost the ability to participate in planning for himself. In such case the agency, guardian, conservator or other person acting for the recipient should plan together in the individual's behalf.

Although in almost all instances the individual retains the right to make the final choice as to living arrangements, the agency contributes to effective placement by helping to match the recipient's requirements to the respective services offered in the various out-of-home care or other institutional facilities which are available.

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-503 DEFINITIONS

42-503

AB
ATD
OAS
AFDC

.1 Institution

An institution is a public or private facility which provides shelter and care, treatment of physical or mental illness, custody (nonmedical) or restraint (penal or correctional). An institution may be a hospital, nursing home, board and care home (for AFDC, licensed for more than six children), prison or other correctional facility.

.2 Public Institution

A public institution is a facility which is:

.21 managed wholly or partially by a unit of government or,

.22 maintained from public funds or,

AB
ATD
OAS
.23 privately owned but subject to more extensive administrative controls, including policy formulation, by a governmental unit than is customary for an institution of similar character or,

.24 publicly owned but leased to a private entity under terms that permit public authorities to control determination of operating policies, admission policies and fees more than ordinarily by a lessor.

AB
ATD
OAS
AFDC

.3 Private Institution

A private institution is either a proprietary, nonprofit, fraternal or benevolent facility managed and controlled by an individual, association, or corporation.

A publicly owned institution, use of which has been transferred by official action or by lease to a private individual or group, is considered a "private institution" provided the day-by-day administration of the institution is controlled by the tenant subject only to such governmental controls as are applicable to other private institutions for adults, i.e., health and fire regulations and a licensing system that establishes standards and conditions of operation.

AB
ATD
OAS

.4 Life Care Contract

A life care contract is an agreement whereby, for a consideration, an organization or individual is obligated to give complete or partial support and care for a period in excess of one year to a resident in a home or institution operated by the organization or individual.

For purposes of AB, ATD and OAS eligibility, a contract of this nature for a period in excess of one month is treated in the same manner as a "life care contract."

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-503. DEFINITIONS (Continued)

42-503

AB
ATD
OAS

.5 Medical Institution

A medical institution is any public or private hospital, nursing home or other medical facility which is licensed or formally approved as a hospital by an officially designated State standard-setting authority and is certified to receive patients for basic or extended inpatient care under the Medi-Cal program. Subject to this requirement a medical institution includes public or private general hospitals, tuberculosis hospitals and hospitals for the mentally ill or mentally retarded. A federal hospital is also classified as a medical institution though not eligible to participate in the Medi-Cal program.

AFDC .51 Public Hospital

A public hospital is an institution licensed or formally approved as a hospital by an officially designated State standard-setting authority for study, diagnosis, treatment of physical, emotional, or mental conditions, care of injured, disabled or sick persons, and which is supported from public funds, and is managed and controlled by a unit of government.

AFDC .52 Private Hospital

A private hospital is an institution licensed or formally approved as a hospital by an officially designated State standard-setting authority for study, diagnosis, treatment of physical, emotional, or mental conditions, care of injured, disabled or sick persons, licensed or exempted from licensure pursuant to the provisions of the Health and Safety Code.

.6 Patient

AB
ATD
OAS
AFDC

.61 A patient is an individual who is in need of and receiving individualized professional services directed by a licensed practitioner of the healing arts toward maintenance, improvement, or protection of health or alleviation of disability or pain.

AB
ATD
OAS

.62 A person is not a "patient" if he receives custodial care only, i.e., is not receiving individualized medical care, even though he has a disability which prevents him from maintaining himself outside the institution.

.7 Inmate

.71 An inmate, is a person who is not a "patient" but is living in or is otherwise being cared for in either a medical or nonmedical institution. However, a person attending an educational or vocational training institution where living in the institution is incidental to the purpose of securing education or training, is not considered an inmate in such institution.

AFDC .72 An inmate is a child who is living in a public institution on court commitment or without a definite plan for his removal within the current or following month (Juvenile Detention or CYA).

A child is not an inmate if he is attending school in a public educational or vocational training institution wherein living in the institution is incidental to the training program.

Effective 10/1/71

DO NOT WRITE IN THIS SPACE

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-505 ELIGIBILITY IN A PUBLIC INSTITUTION

42-505

AB | .1 Nonmedical Institution (Custodial or Correctional)

ATD

OAS

.11 Adult

A patient or inmate in a nonmedical public institution is not eligible to receive aid. (See Sections 42-603 and 42-617.1 regarding application for aid while in such institution.)

AFDC | .12 AFDC

A child or parent who is an inmate in a public institution becomes ineligible as of the last day of the month he enters the institution.

Aid may be granted for a child and his parent for the purpose of establishing or reestablishing a home, when the child or his parent is in a public institution or a public hospital and when there is a plan for the release of that child or parent within the month.

AB | .2 Public Medical Institution

ATD

OAS

.21 Adult

An otherwise eligible "patient" in a public medical institution is eligible to receive aid except as provided in Sections .21 through .25 below. (Even though ineligible under one or more of these subsections, the person may apply for and, if otherwise eligible, receive his first monthly payment before leaving the institution as provided in Section 42-630 below.)

.211 Person Not a Patient

A person in a public medical institution who does not have "patient" status is not eligible to receive aid. (See Section 42-603.6.)

.212 Person Involuntarily Detained

A person who is involuntarily detained by legal process other than a quarantine requirement is ineligible. "Involuntarily detained" as used herein includes Penal Code commitments or other involuntary detention in connection with a violation of the law whether the offense is a misdemeanor or a felony or is in the nature of a delinquent act. Civil commitment of an individual to a medical facility does not, in itself, preclude eligibility of the patient. However, if the individual so committed is also involuntarily detained in connection with a violation of the law he is ineligible. (See Section 44-211, Minimum Needs of Recipients in Medical Facilities. Also, for OAS, see Department Bulletin No. 650, Public Assistance Payments to Patients in State Hospitals.)

AB

ATD

.213 Institution is for Tuberculosis Patients or for Mentally Ill

A patient in a public institution for tuberculosis or for the mentally ill is not eligible to receive AB or ATD.

AB

.214 Inmate or Patient in Federal Medical Institution

An inmate or patient in a federal medical institution is not eligible to receive AB.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-505 ELIGIBILITY IN A PUBLIC INSTITUTION (Continued)

42-505

AFDC | .22 Children's Programs

.221 Parent in a Public Hospital

The parent who is a patient in a public hospital remains eligible for inclusion in the family budget unit as long as there is a medical reason for hospitalization.

.222 Child in a Public Hospital

The child who is a patient in a public hospital remains eligible if he is a patient on a temporary basis. He is considered to be receiving temporary care if on the first of the month for which payment is due he has not been in the hospital for two full calendar months, irrespective of the day on which he entered.

42-507 ACCEPTABLE EVIDENCE OF ELIGIBILITY IN PUBLIC MEDICAL
INSTITUTIONS

42-507

AB
ATD
OAS

.1 Adult Programs

The county department shall obtain a certification by a responsible official of the public medical institution immediately following the recipient's admission to the institution as evidence that the recipient is an eligible patient in the institution. (See Records, Forms and Controls Regulations, Form ABD 236.)

Immediate notification to the county department is required if the patient who is a recipient dies, leaves the medical institution or, for other reason, patient status terminates.

42-509 ACCEPTABLE EVIDENCE OF ELIGIBILITY IN A PUBLIC HOSPITAL
OR INSTITUTION

42-509

AFDC | When a parent or child enters a public hospital or public institution evidence is required to enable the county to determine whether or not the person is eligible; and, if eligible, the period of eligibility.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-511 ELIGIBILITY IN A PRIVATE INSTITUTION

42-511

AB | An otherwise eligible "patient" or inmate in a private institution, including a
ATD | private medical institution is excluded from eligibility to receive aid only when
OAS | one or more of the conditions specified in Sections .1 through .3 below, exist.

(A private hospital or nursing home which is not certified for Medi-Cal is considered in the same manner as a nonmedical institution. The otherwise eligible patient or inmate in such facility may receive aid unless excluded under Sections .1 through .3 below. See Section 44-211.2 for need determination in such facility.)

.1 Person Has Life Care Contract with Institution

A person who is receiving, or who has an enforceable contract with a solvent institution to receive full support, in accord with the appropriate aid standard, is not eligible to receive aid. (See Sections 41-321.31, Transfer in Return for Life Care and 44-115, Evaluation of Income in Kind.)

.11 Eligibility to Admission to Private Institution

Eligibility for admission to a private institution does not render an applicant or recipient ineligible if he does not wish to live in the institution.

Interpretation

An applicant or recipient who has paid dues to an organization or who has an insurance policy entitling him to total or partial care in an institution would not be required to take up such an option. However, a resident of an institution who voluntarily cancels a contract obligating the institution to provide care would be subject to investigation to determine whether the cancellation was for the purpose of qualifying for aid or for a greater amount of aid. If the welfare of the individual required a living plan other than that provided by continued residence in the institution, it would not be considered that the contract was canceled for the purpose of qualifying for aid.

ATD | .2 Institution is for Tuberculosis Patients or for Mentally Ill

A patient or inmate in a private institution for tuberculosis or in an institution licensed by the State Department of Mental Hygiene for the mentally ill, is not eligible to receive ATD. A facility licensed or certified by the SDMH for the care of six or less persons is not considered an institution and persons in such facilities may receive aid if otherwise eligible. Family care homes are always certified for six or less persons and, therefore, are not considered to be institutions.

AB | (An otherwise eligible person may receive OAS or AB while a patient or inmate in an institution for
OAS | tuberculosis or in an institution for the mentally ill but there is no federal participation in the AB payment.)

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-513 ELIGIBILITY IN A PRIVATE HOSPITAL OR INSTITUTION

42-513

AFDC The child who is a patient in a private hospital remains eligible for aid, and a parent who is a patient in a private hospital remains eligible for inclusion in the family budget unit as long as there is a medical reason for hospitalization.

An otherwise eligible child is eligible to receive aid while in a private institution.

42-515 EVIDENCE OF ELIGIBILITY IN PRIVATE INSTITUTION

42-515

AB
ATD
OAS

.1 Nonprofit Fraternal or Benevolent Institution

Evidence is required of any contractual obligation of the institution to the resident, as established by records of the institution, bylaws, articles of incorporation, copies of the resident's admission agreement or contract with the institution, etc. If the resident reports he must pay for any portion of the support or care received from the institution, evidence is required in the form of a resolution adopted by the governing board of the institution requesting such payment.

.11 Evaluation of Evidence

The following must be considered and evaluated in determining possible eligibility to public assistance:

- a. Is the institution obligated by contract to furnish the resident with total or partial support?
- b. Has the resident transferred property, made a foundation gift, advance or admission payment or payment of similar character to the institution which entitles him to full or partial support or to a reduction in the charge for care?
- c. Is the institution furnishing total or partial support even though not obligated to do so?

.2 Commercial Institution

A written statement is required from a commercial institution as evidence of the amount charged and that the individual is required to pay for the support received.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

42-517 APPLICANT OR RECIPIENT IN INSTITUTION EXCLUDED FROM ELIGIBILITY 42-517

AB
ATD
OAS

.1 Application for Public Assistance

Any patient or inmate of a public institution (in ATD a public or private institution) who is excluded from eligibility while remaining in the institution either because of the character of the institution or because of his particular diagnosis (see Sections 42-110 and 42-120 above) may make application for assistance and, if otherwise eligible, receive his first payment while still in the institution provided he has a bona fide plan to leave the institution upon receipt of the first payment.

.11 Evidence of Eligibility

.111 Initial Eligibility

Evidence of a bona fide plan for leaving the institution is required. This necessitates verification with the institution and the applicant that:

- a. The applicant is free to leave the institution at any time or at a predictable time within the month aid is to be granted, and
- b. There is a plan for living arrangements outside the institution.

.112 Continuing Eligibility

A certification that such a recipient left the institution on or before the last day of the month for which the initial payment was made is required as evidence of eligibility to continuing aid. (See Records, Forms and Controls Regulations, Form ABD 231.)

AB
ATD
OAS

.2 Applicant Fails to Leave Institution As Planned

If the applicant remains in the institution where he is ineligible after the last day of the month for which the one aid payment was made, he remains ineligible through the month in which he leaves the institution. Overpayment does not occur as a result of such one payment. However, federal participation is not available for that one payment. If he later leaves the institution, he is not eligible to receive aid until the first of the month following the month in which he leaves.

.3 Recipient Enters Institution Excluded from Eligibility

A recipient who enters and remains in an institution excluded from eligibility is ineligible for further aid. Aid payment shall be discontinued at the end of the month in which he enters the institution.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

**CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE**

(Pursuant to Government Code Section 11380.1)

DIVISION 43 RESPONSIBLE RELATIVES

CHAPTER 43-100 RESPONSIBLE RELATIVES

43-100

RESPONSIBLE RELATIVES

43-100

OAS
AFDC

The W&I Code specifies that there are no responsible relatives in the AB and ATD programs. However, the community income and property of a spouse shall be considered in determining eligibility for aid and amount of grant (see the Income and Property Chapters).

The code designates certain relatives who, under specified conditions, are legally liable to provide financial support or to contribute to the support of an applicant or recipient under the OAS or AFDC programs and this chapter deals with the determination of responsibility of relatives in the OAS and AFDC programs.

Relative responsibility should not be considered exclusively in terms of financial responsibility. Other positive factors may be found in strengthened family relationships, the contributions which relatives can make to the security of the recipient through family solidarity or through guidance and planning for the child in AFDC. These positive factors may be available from relatives who are not legally liable to provide financial support as well as those who have liability.

Responsibility rests with the county to determine not only financial responsibility of relatives in the OAS and AFDC programs but, in all programs, to develop to the maximum the potential resource of relatives in meeting social and emotional needs of the recipient.

43-103

EFFECT OF RELATIVE RESPONSIBILITY ON AID PAYMENTS

43-103

OAS

The granting or continuing of aid payments shall not be withheld pending determination of the liability of a responsible relative to contribute to the support of the applicant or recipient provided the applicant or recipient has met his responsibility for reporting facts known to him including any contributions he is receiving from the responsible relative. Similarly, the granting or continuing of aid payments to an otherwise eligible applicant or recipient is in no way contingent upon the relatives meeting his prescribed liability.

Only the contributions actually made to the applicant or recipient are considered in determining his eligibility or the amount of grant to which he is eligible. However, failure of the responsible relative to cooperate in providing the information necessary to determine his liability or failure of the relative to meet his liability as fixed by the county are basis for a report by the county to the district attorney or other civil legal officer for appropriate action.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-105

DEFINITIONS

OAS

.1 Responsible Relative

43-105

A responsible relative is one who is legally liable to provide financial support or to contribute to the support of another person because of his relationship through a blood tie or as a result of marriage, or adoption. A relative who is a recipient of public assistance is not held liable to contribute from his grant of aid to the support of another person or family.

In OAS responsible relatives include only the spouse of the applicant or recipient or the adult children of such applicant or recipient living within this state. Adult children, as used herein, include emancipated minor children, i.e., children for whom the parent has voluntarily relinquished parental control.

(For definitions of responsible relatives in AFDC, see Sections 42-513 and 42-515.)

.2 Dependent

A dependent of an adult child of an applicant or recipient is a person other than the applicant or recipient who meets all of the following requirements:

- a. Is related to the responsible relative by blood, marriage or adoption;
- b. Has income insufficient to meet his needs; and
- c. Is receiving his major support (in or out of the home) from the responsible relative.

.3 Gross Income (Adult Child)

Gross income is the income otherwise available before any payments or deductions for taxes, insurance, retirement contributions, expenses incident to operation of a business, etc.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-105 DEFINITIONS (Continued)

43-105

OAS | .4 Net Income (Adult Child)

.41 Salary or Wages

Net income from salary or wages derived from employment by others is gross income less a flat 25% to cover personal income tax, social security taxes and all other expense necessary to produce the income or incident to its receipt.

.42 Income from Sources Other than Salary or Wages Specified in .41 Above

Net income is gross income less the following:

- a. Deductible expenses permitted in the determination of net income for purposes of California State Income Tax;
- b. Principal payments, to the extent such payments are necessary to the operation of the business or enterprise or are required to maintain and preserve the capital investment of the relative. (Principal payments are not included on indebtedness incurred subsequent to the initial determination of liability if such indebtedness was to expand a business or to otherwise increase property holdings. However, exception to this general rule is made if the incurring of such indebtedness was necessary to preserve and maintain the investment the relative already had in the business or property.);
- c. Twenty-five percent of the balance (the remainder after allowable expenses under a and b have been deducted) to cover personal income taxes, social security taxes and all other expense incident to the receipt of the income.

43-107

RESPONSIBILITY OF A SPOUSE

43-107

OAS | Under general law, the spouse of an OAS applicant or recipient is responsible for the support of such applicant or recipient. For purposes of OAS, responsibility of the spouse is determined on the basis of his income, his needs and the needs of minor dependent children. The amount the spouse is required to contribute to the support of the applicant or recipient is determined in the manner prescribed in Regulation 44-131.1.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-109 RESPONSIBILITY OF ADULT CHILD (Continued)

43-109

OAS | .31 Relatives' Contribution Scale

RELATIVES' CONTRIBUTION SCALE

A If gross monthly income is:	B Then net monthly income is:	C Maximum required monthly contribu- tion if number of persons dependent upon income is:					
		1	2	3	4	5	6 or more
\$534.66 or under	\$400 or under	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
534.67 - 601.33	401 - 450	5	0	0	0	0	0
601.34 - 667.99	451 - 500	10	0	0	0	0	0
668.00 - 734.66	501 - 550	15	0	0	0	0	0
734.67 - 801.33	551 - 600	20	0	0	0	0	0
801.34 - 867.99	601 - 650	25	5	0	0	0	0
868.00 - 934.66	651 - 700	30	10	0	0	0	0
934.67 - 1001.33	701 - 750	35	15	0	0	0	0
1001.34 - 1067.99	751 - 800	40	20	0	0	0	0
1068.00 - 1134.66	801 - 850	45	25	5	0	0	0
1134.67 - 1201.33	851 - 900	50	30	10	0	0	0
1201.34 - 1267.99	901 - 950	55	35	15	0	0	0
1268.00 - 1334.66	951 - 1000	60	40	20	0	0	0
1334.67 - 1367.99	1001 - 1025	65	45	25	5	0	0
1368.00 - 1401.33	1026 - 1050	70	50	30	10	0	0
1401.34 - 1434.66	1051 - 1075	75	55	35	15	0	0
1434.67 - 1467.99	1076 - 1100	80	60	40	20	0	0
1468.00 - 1501.33	1101 - 1125	85	65	45	25	5	0
1501.34 - 1534.66	1126 - 1150	90	70	50	30	10	0

Columns B and C of the above scale constitute the Relatives' Contribution Scale as it appears in the law.

Column A is included for convenience in converting gross income to net income when the income of the adult child includes only his salary or wages. Under the law, the differential between gross and net income for such child is a flat 25% and this is the differential between the gross income shown in Column A and the net income shown in Column B.

If the adult child's income includes income from property, self-employment, business, etc., his total net income must be determined under the appropriate provisions in Section 42-505.4. Net income so determined is then used in determining his maximum liability under Column C of the scale.

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-109

RESPONSIBILITY OF ADULT CHILD

43-109

OAS | The maximum liability of an adult child shall be determined under the Relatives' Contribution Scale (See .31 below) which gives consideration to the child's net income (from specified sources) and the number of his dependents. (See Section 42-505.4 for definition of net income and Section 44-505.2 for definition of dependent.)

.1 Income Included in Determining Liability

Income included depends on the marital status of the adult child as set forth below. (Income of the spouse of the adult child is never included in determining such child's liability but is evaluated in determining dependency of the spouse and the couple's children (See .2 below).

.11 Married Son

His total income for purposes of liability determination is the sum of:

- a. His total net income from his own earnings; plus
- b. His total net separate income from any source (property, pensions, etc.); plus
- c. The couple's total net community income excluding earnings of his spouse.

.12 Married Daughter

Her total income for purposes of liability determination is the sum of:

- a. Her total net income from her own earnings; plus
- b. Her total net separate income from any source (property, pensions, etc.)

.13 Single, Divorced, Widowed or Separated Adult Child (Son or Daughter)

Income for purposes of liability determination is the total net income of such child from all sources.

.2 Dependents Claimed

(See Section 42-505.2 for definition of a dependent.) Only one person can claim any given person as a dependent. When the responsible relative and his spouse each has income which is pooled for family support, their dependents are apportioned as nearly as possible in accord with the ratio of each spouse's income to the total family income.

.3 Degree of Liability

The county shall determine the net income of the adult child as provided in .1 above, the number of his dependents and shall then fix maximum liability in the amount prescribed by the Relatives' Contribution Scale.

DO NOT WRITE IN THIS SPACE

FILED IN 101.151

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-109

RESPONSIBILITY OF ADULT CHILD (Continued)

43-109

OAS | .32 Modification or Elimination of Liability.321 Major Unusual Expenses and Resulting Hardship

Liability may be fixed at less than the maximum if the relative reports major unusual expenses which limit his ability to contribute, contends that hardship will result if the maximum liability is imposed, and presents evidence which supports his contention. If hardship is established, the additional expenses which are to be considered are deducted from the relative's net income and a new liability determined by application of the Relatives' Contribution Scale.

.322 Child Freed of Responsibility for Support of Parent

An adult child who has been freed of responsibility for support of a parent under the provisions of Civil Code Sections 206.5 or 206.7 has no liability under the Relatives' Contribution Scale regardless of his income. He is also freed from any liability previously established but not yet paid at the time of the court order freeing him from responsibility.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-109

RESPONSIBILITY OF ADULT CHILD (Continued)

43-109

OAS | .33 Special Factors Which Neither Increase Nor Decrease Liability of Adult Child

.331 Applicant or Recipient Receives Medical Care

Liability of an adult child shall not be increased as a result of medical care provided to his parent(s) under the Medi-Cal program.

.332 Adult Child Has Two Living Parents

Liability of an adult child for two living parents is the same as for one.

.333 Adult Child Living in Home of Parent

Liability of the adult child is not altered by his payment of room and board to a parent.

.4 Evaluation of Contributions in Kind by an Adult Child

An adult child may meet his liability in full or in part by a cash contribution, a contribution in kind or a combination of both. The following rules determine the extent, if any, to which liability can be met by a contribution in kind.

.41 Contribution of an Item in the OAS Standard of Assistance

Such contribution shall be valued at the actual cost to the relative or the maximum allowance for the item in the standard, whichever is less. (See Need Chapter).

.42 Contribution of Item Outside Standard of Assistance

Such contribution does not serve to modify or to meet any portion of the relative's legal liability.

43-111

PROCEDURE FOR DETERMINING NONLIABILITY OR LIABILITY OF AN ADULT CHILD

43-111

OAS | .1 New Applications

.11 Determination of Nonliability by Interview

Nonliability of an adult child may be determined on the basis of information obtained through interview with the child or through interview with the applicant if the applicant is able to provide all the needed information.

Effective 10/1/71

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-111

PROCEDURE FOR DETERMINING NONLIABILITY OR LIABILITY OF AN ADULT
CHILD (Continued)

43-111

OAS | Pertinent facts regarding the adult child to be obtained in an interview include:

- a. His marital status and approximate age.
- b. His current employment and net income.
- c. The stability of his employment.
- d. Other sources and amounts of net income.
- e. Income of his spouse.
- f. Number of his dependents.

.111 Interview Supports Adequately a Determination of Nonliability

The basis for such conclusion shall be recorded in full in the record. In the absence of conflicting evidence, no further investigation of the relative's liability shall be made.

.112 Interview Does Not Support Adequately a Determination of Nonliability

Form AG 224 or 225, whichever is appropriate, shall be completed by the adult child as provided in Section .12 and .13 below.

.12 Use of Form AG 224, Preliminary Statement of Responsible Relative - General

When an interview with the adult child is not possible or when the information obtained through interview with the applicant or recipient regarding the circumstances of the adult child is inconclusive, incomplete or inconsistent the adult child shall be requested to complete Form AG 224 as a screening form which will provide minimum information from which nonliability or probable liability may be determined.

.13 County Action on Form AG 224

The completed Form AG 224 shall be reviewed for completeness and consistency with any other information the county has regarding the relative's circumstances. Gross income as shown on the form shall be translated to net income and nonliability or probable liability determined under the Relatives' Contribution Scale. (See Section 42-506.31)

DO NOT WRITE IN THIS SPACE

Elbertine 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-111

PROCEDURE FOR DETERMINING NONLIABILITY OR LIABILITY OF AN ADULT
CHILD (Continued)

43-111

OAS .131 Completed Form AG 224 Indicates Nonliability - No Conflicting Evidence

A determination of nonliability shall be made and recorded.
No further investigation shall be made.

.132 Completed Form AG 224 Indicates Probable Liability or Fails to Support Adequately a Determination of Nonliability

The adult child shall be requested immediately to complete
Form AG 225. (See .14 below)

.133 Form AG 224 Not Returned within 15 Days after Mailing Date

Form AG 225 shall be sent immediately to the adult child.

.14 Use of Form AG 225, Statement of Responsible Relative - General

Actual liability of an adult child to support or to contribute to the support of an applicant or recipient shall be determined wherever possible, on the basis of such child's written declaration giving detailed information concerning his income, deductible expenses, if any, dependents, etc. Accordingly, Form AG 225 shall be sent to each child where probable liability is indicated from information obtained through interview or from information recorded on the Form AG 224 or when the information so obtained does not support adequately a determination of nonliability.

.15 County Action on Form AG 225

The completed Form AG 225 shall be reviewed for completeness, accuracy and consistency with any other information the county has concerning the adult child's circumstances. Liability or nonliability shall be determined by the county as set forth below.

.151 Substantial Evidence Indicates that Information on Form AG 225 is Inaccurate or Incomplete

The county shall make whatever further investigation is indicated before determining liability or nonliability. However, the relative shall always be notified before an inquiry is directed to his employer. (W&IC Section 12100)

.152 Completed Form AG 225 and Any Supplemental Information Indicate Nonliability

A determination of nonliability shall be made and recorded.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

PROCEDURE FOR DETERMINING NONLIABILITY OR LIABILITY OF AN ADULT
CHILD (Continued)

43-111

43-111

OAS | .153 Completed Form AG 225 and Any Supplemental Information
Indicate Liability

- a. Adult Child Indicates He Will Contribute as Much or More than His Liability as Prescribed by the Relatives' Contribution Scale.

Liability shall be fixed by the county at the amount prescribed by the scale and the adult child notified as provided in Section .16 below.

- b. Adult Child Indicates He Will Make No Contribution or Will Contribute Less than the Amount Prescribed by the Relatives' Contribution Scale.

The county shall determine if liability shall be fixed at less than the amount prescribed by the Relatives' Contribution Scale as provided in Section 42-506.32.

A maximum of 60 days is allowed the adult child in which to present evidence that his liability should be modified.

When the necessary evidence is submitted or at the end of 60 days, whichever is earlier, the county shall fix liability in accord with the Relatives' Contribution Scale or, if the evidence justifies, shall fix liability in a modified amount or determine there is no liability. The adult child shall be notified immediately of any fixed liability as provided in Section .16 below.

.16 Notification to Relative Regarding the Amount of His Fixed Liability and the Effective Date

The relative shall be notified of the amount of his fixed liability and the effective date by means of Form AG 246 or an equivalent substitute form. Such effective date shall not precede the month in which the relative is notified of his liability unless the relative wilfully and without good cause delayed in providing requested information essential to the determination of his liability. In such case, any liability subsequently and initially fixed or increased shall be effective with the month following that in which the information was requested.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-111 PROCEDURE FOR DETERMINING NONLIABILITY OR LIABILITY OF AN ADULT CHILD (Continued) 43-111

OAS .17 County Action When Form AG 225 Not Returned

The county shall send a follow-up request for the completed form within 30 days after the initial mailing (or otherwise giving) of the form to the adult child.

.171 Completed Form AG 225 Submitted as a Result of the Follow-up

County action in evaluating the form and determining liability or nonliability shall be the same as that provided in Section .15 above.

.172 Completed Form AG 225 Still Not Submitted

If within 30 days after the follow-up request the adult child still has failed to return the completed form, efforts should be made to determine through independent investigation what liability, if any, the child has. Such independent investigation may be made only after the adult child has been notified of the proposed investigation and that it may include checks with the credit bureau, his employer, etc.

If sufficient evidence is secured through independent investigation the county shall, on the basis thereof, determine and fix liability or nonliability of the child, record the basis thereof and notify the child of any fixed liability.

.2 Reinvestigations

Liability or nonliability of each adult child shall be redetermined promptly in accord with the procedures set forth in .1 above when one or more of the following conditions exist:

- a. Evidence is obtained which raises doubt as to the validity of the existing finding of liability or nonliability;
- b. Two years have elapsed since the last determination was made, or
- c. The adult child requests a redetermination.

.21 Notification to Adult Child

The adult child shall be notified immediately in the manner prescribed in Section .16 above of any changes in his fixed liability.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-111 **PROCEDURE FOR DETERMINING NONLIABILITY OR LIABILITY OF AN ADULT CHILD (Continued)** 43-111

OAS | **.3 Adult Child's Right to Appeal**

Any adult child who has been found liable to make a contribution for full or partial support of his parent as provided herein and is dissatisfied with such finding may appeal to the SDSW for modification or elimination of the liability. Such appeal shall be handled in the manner prescribed for fair hearing requests for an applicant or recipient. (See Fair Hearing Procedures Chapter 2.2050 of Operations Manual.)

.4 Report to the District Attorney or Other Civil Legal Officer

The county is responsible for asking the district attorney or other civil legal officer to take legal action against a relative as set forth below. Any report or referral of such matter to the legal officer should be accompanied with all pertinent information concerning the relative which is known to the county.

.41 Adult Child Fails to Complete and Return Form AG 225

Such failure shall be reported to the district attorney or other civil legal officer for appropriate action under W&IC Section 12105 if:

- a. It has not been feasible to determine liability or nonliability through independent investigation, and
- b. The child has been informed of the necessity of such report to the legal officer if he fails to cooperate.

.42 Adult Child Fails to Meet his Liability as Fixed by the County

The county granting aid may request the district attorney or other civil legal officer to proceed against such child as provided in W&IC Section 12100.

43-113 **RESPONSIBILITY FOR SUPPORT** 43-113

AFDC | **.1 Parents-General**

Parents, including the father not married to the mother, are responsible to the extent of their ability for the support and care of their children, natural or adopted. This responsibility continues even though the parent is not living with his family, the marriage has been legally dissolved, the parents are not married, or there has been a court order removing the children from the parents' custody. However, responsibility for parental support ceases if relinquishment for adoption has been signed, unless and until the relinquishment has been terminated.

Effective 10/1/71

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-113

RESPONSIBILITY FOR SUPPORT (Continued)

43-113

AFDC | .2 Cooperation Requirement — Parent Remaining with Child

- .21 When one parent is absent, the parent remaining with the child must cooperate with law enforcement officers by providing reasonable assistance to them in the enforcement of the obligation of the absent parent to provide support for the absent parent's child(ren).
- .211 For purposes of this section, if one parent has been given legal custody and control of the child such parent shall be considered the "parent remaining with the child" even though not living with the child.
- .22 Any one or more of the following acts knowingly taken by the parent remaining with the child shall be deemed to be a refusal to cooperate with law enforcement officers (W&IC Section 11477):
 - .221 A refusal to be interviewed by the district attorney.
 - .222 A refusal to sign a complaint against the absent parent.
 - .223 A request to dismiss the complaint.
 - .224 The concealment of the identity or whereabouts of the absent parent.
- .23 The remaining parent shall be informed of the requirement for notification and referral to the district attorney and the remaining parent's responsibility to cooperate with the district attorney as soon as it is determined that the requirement is applicable. (For limitations on interviews and statements by welfare department personnel regarding the nature of the charges which may be brought against the individual see Section 20-009.2.)
 - .231 The remaining parent shall be given the opportunity to withdraw the application if he or she does not wish the notification to be made or the recipient may request discontinuance if he or she does not wish the referral to be made.
- .24 The signing of an application or the granting of aid shall not be construed as failure or refusal of the remaining parent to carry out his or her parental support responsibilities.
- .25 The county welfare department shall have the final responsibility for determining whether the remaining parent has given reasonable assistance to law enforcement officers. In making this determination, the following factors shall be considered:
 - .251 The mental capacity of the remaining parent.
 - .252 The presence or absence of fear based on threats of physical or economic reprisal by the absent parent.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-113

RESPONSIBILITY FOR SUPPORT (Continued)

43-113

AFDC .3 Cooperation Requirement — Mother and Unrelated Adult Male Living in the Home

.31 The mother of a child for whom she is applying for or receiving AFDC shall present to the Income Maintenance System a statement signed by her and by an unrelated adult male living with the family, other than a bona fide lodger, roomer or boarder, which shall set forth:

.311 The actual amount of the financial payment(s) made by the unrelated adult male for his share of the family's cost of housing, utilities, food, household operations and special needs which are shared by the family group;

.312 The actual amount of the financial contribution made by the unrelated adult male in cash or in kind for needs of the members of the family budget unit allowed by the AFDC standard of assistance; and

.313 The amount of the unrelated adult male's monthly earnings and other income, if known.

For purposes of this requirement, both discussion and the written statement shall be limited to the fiscal and monetary arrangements between the mother and the unrelated adult male.

See Section 42-514 for "Required Financial Contribution" and definitions.

.32 The statement shall be signed by the mother and the unrelated adult male under penalty of perjury. For this purpose, the statement shall include the following:

"I certify through my signature that each of the statements given is true and correct to the best of my knowledge and belief. I make this statement under the penalty of perjury and understand that any willful concealment or misstatement of material fact in this statement of which I have been given notice subjects me to the penalties prescribed for perjury in the Penal Code by the State of California. I agree to tell the county welfare department at once when there are any changes in the facts presented in this statement."

If the mother or the unrelated adult male do not understand English, the above statement shall be provided by the county welfare department written in a language which each understands, before it is signed.

.33 Failure of the mother to cooperate in the presentation of the required statement shall be considered the mother's decision to withhold information essential to the determination of the eligibility of the child, except that if she appears unable to comprehend or enter into the procedure for establishing eligibility, action shall be taken by the Income Maintenance System in accordance with Sections 40-128.3 and 40-157.33. If the exception does not apply, aid shall be denied, or discontinued.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

43-113

RESPONSIBILITY FOR SUPPORT (Continued)

43-113

AFDC

- .34 Refusal by the unrelated adult male to sign the statement is a violation of W&IC 11351.5 and information regarding such refusal shall, with the prior knowledge of the mother and the unrelated adult male, be sent to the district attorney.

Refusal by the unrelated adult male to sign the statement shall not relieve the mother from submitting a statement signed by her setting forth the facts specified in Section 42-513.31 above.

.35 Implementation

The provisions of Section 42-513.3 are effective July 1, 1970, except that for families approved for aid prior to receipt of this regulation by the county welfare department, a statement signed by the mother and unrelated adult male shall be requested by not later than July 31, 1970, and shall be returned by the mother not more than two weeks after the request is made.

.4 Cooperation -- Guardian or Person Other Than Remaining Parent

A guardian of a child who is not the child's parent, or person other than a guardian or parent who acts on behalf of the child, who has the legal authority to sign a nonsupport complaint against the parent may be asked to do so, but failure or refusal to comply shall not constitute noncooperation and shall not disqualify the child for aid to which the child is otherwise entitled.

- .41 The guardian or person other than the remaining parent shall be informed (a) that the law requires the welfare department to notify the district attorney in cases of nonsupport by a parent and (b) that the application for aid may be withdrawn if such notification is not desired. See Sections 42-513.23 and 42-513.231 above.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE
(Pursuant to Government Code Section 11380.1)

43-113 RESPONSIBILITY FOR SUPPORT (Continued)

43-113

.5 Absent Parent's Responsibility

AFDC

.51 Whenever aid is applied for or granted on behalf of a child who is not living with both parents, the absent parent is required by W&IC Section 11353 to complete a statement for purposes of determining ability to support the child. Such statement shall contain the following information:

.511 Current monthly income;

.512 Total income for the last 12 months;

.513 The number of dependents for whom support is being provided;

.514 The amount being contributed regularly for support of all children for whom application for AFDC is made;

.515 Current living expenses;

.516 Other data pertinent to determining ability to support the children.

.52 Refusal or failure of the absent parent to complete this statement requires the county welfare department to refer the case to the district attorney (W&IC Section 11353; W&IC Section 11476).

.6 Stepfather

A stepfather is responsible for the support of:

.61 His children from another union living outside the home; and

.62 His children, natural and adopted, living in the home; and

.63 His wife.

A stepfather is not legally responsible for the support of his wife's children by another man, unless he has adopted them.

If the stepfather and his legal dependents living in the home are needy but are ineligible or refuse to apply for public assistance or General Relief, a determination of possible misuse of AFDC funds shall be made, as specified in Section 20-101.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE
(Pursuant to Government Code Section 11380.1)

43-113

RESPONSIBILITY FOR SUPPORT (Continued)

43-113

AFDC | .7 Unmarried Father

The unmarried father is responsible for the support of his child (including the unborn child).

The unmarried father is not legally responsible for the support of his child's mother or of children not his own.

If the unmarried father and his legal dependents living in the home are needy but are ineligible or refuse to apply for public assistance or General Relief, a determination of possible misuse of AFDC funds shall be made, as specified in Section 20-101.

.8 Adult Children

Adult children are responsible for the support of their parents to the extent of their ability. However, adult children are not responsible for the support of their brothers and sisters.

If the adult child and his or her legal dependents living in the home are needy but are ineligible or refuse to apply for public assistance or General Relief, a determination of possible misuse of AFDC funds shall be made, as specified in Section 20-101.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE
(Pursuant to Government Code Section 11380.1)

43-114 / REQUIRED FINANCIAL CONTRIBUTION - UNRELATED ADULT MALE

43-114.

AFDC .1 Requirement

An unrelated adult male, other than a bona fide lodger, roomer or boarder, who resides with a family applying for or receiving AFDC is required to make a financial contribution to the family which is not less than it would cost him to provide himself with an independent living arrangement. W&IC 11351.5.

.2 Definitions

- .21 An "unrelated adult male" is a male who is 21 or older and not related by blood or marriage to any member of the AFDC family.
- .22 An unrelated adult male living in the home shall be considered a bona fide lodger, roomer or boarder upon the written statement of the mother to this effect, supported by evidence such as the following:
 - .211 Evidence that income from the lodger, roomer or boarder is reported for income tax purposes, or
 - .212 Possession of a license to operate a rooming house, or
 - .213 Evidence that quarters are furnished separate and apart from that occupied by the family, or
 - .214 Receipts which indicate payment of room rent or room and board.

Renewed evidence shall be required of the mother subsequent to the initial determination only if there is substantial reason, which shall be specified in the case record, to believe that the unrelated male is not a bona fide lodger, roomer or boarder.

- .23 The cost of an "independent living arrangement" shall be the sum of the AFDC minimum need allowances to a one-person family budget unit for housing (Section 44-212.14), utilities (Section 44-212.2), food (Section 44-212.3) and household operations (Section 44-212.5). See Section 44-113.5 for determination of net income to the family budget unit from the contribution.

.3 Action - Requirement Not Met

When the known or probable income of the unrelated adult male is insufficient for him to support himself in an independent living arrangement and to meet his expenses of employment, or his financial contribution to the family is less than the cost of providing himself with an independent living arrangement, a determination shall be made as specified in Section 20-101 with respect to possible misuse of AFDC funds.

See Section 42-513.34 for action to be taken if the unrelated adult male refuses to sign a statement regarding his contribution to the family.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE
(Pursuant to Government Code Section 11380.1)

43-115

DEFINITIONS FOR PURPOSES OF SUPPORT RESPONSIBILITY

43-115

AFDC

.1

Parents

The natural parents, married or unmarried, are the parents of the child unless the child has been adopted. The adoptive parents are the parents thereafter.

.2

Stepfather

A stepfather is a man who is married to the mother of a child of whom he is not the natural father.

.3

Unmarried Father

An unmarried father is a man who is not married to the natural mother of one or more of their children even though he may be married to another woman.

.4

Common-Law Marriage

California law, in Civil Code Section 63, recognizes any out-of-state marriage as valid as long as it is valid where contracted or performed. In cases in which there was no formal marriage, it may be that a common-law marriage was established in another state. If the parents state they are married to each other, it is assumed that they are lawfully married unless this is refuted by other evidence.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

48-001 COUNTY DEPARTMENT RESPONSIBILITY FOR RECORDS

- .11 The appropriate Form WR-2 completed by or on behalf of the applicant. When further inquiry has been necessary to clarify the applicant's statement of facts or to reconcile conflicts or inconsistencies, the results of such inquiry shall be recorded in the margin of the Form WR-2 or in the case record. (See Section 10-501.2.)
- .12 All evidence obtained to support linking and nonlinking factors of eligibility. The county may maintain a copy or a written record of the type of evidence and its pertinent content if the evidence has been returned to the applicant.
- .13 The original or a copy of pertinent forms completed during the determination or redetermination of eligibility, i.e., budget work sheets, authorizations, forms relating to intercounty transfers, etc.
- .14 The basis for county action granting, denying, changing, withholding, cancelling, or discontinuing aid.
- .15 The computation of any overpayment and the basis for conclusion, the overpayment is or is not subject to adjustment or repayment. If the overpayment is subject to repayment, a copy of any demands for repayment, the facts regarding the determination of the debtor's ability to repay and collection activity (unless this information is recorded centrally elsewhere).
- .16 The worker's evaluation of the applicant's apparent ability or inability to understand interpretation given to him with respect to his rights and responsibilities.

DO NOT WRITE IN THIS SPACE

CONTINUATION SHEET
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE SECRETARY OF STATE

(Pursuant to Government Code Section 11380.1)

44-103 EXPLORATION OR INCOME POTENTIALS AND INCOME
VERIFICATION (Continued)

44-103

AFDC

.241 Refusal without good cause by a parent to apply for or to accept employment, or job training including community work experience assignments (see Section 30-158), shall as to recipients be subject to the penalties specified for AFDC-U parents in Section 41-440.3, and as to applicants, see

Section 41-407.

DO NOT WRITE IN THIS SPACE

Effective 10/1/71